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The Development of Responsible Management Education in European Business Schools : Responses to the 2013 EQUIS Accreditation Standards

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**The Development of Responsible Management Education in European
Business Schools: Responses to the 2013 EQUIS Accreditation
Standards**

Mathias Falkenstein

**A thesis submitted for the degree of
Doctor of Business Administration (Higher Education Management)**

**University of Bath
School of Management**

May 31, 2017

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Signature

A handwritten signature in black ink, appearing to read 'M. Falkenstein', written in a cursive style.

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Summary of Abbreviations

Abbreviation	Meaning
AACSB	Association to Advance Collegiate Schools of Business
ACBSP	Accreditation Council for Business Schools and Programs
ABIS	Academy of Business in Society
ABS	Association of Business Schools
AMBA	Association of MBAs
ASFOR	Associazione Italiana per la Formazione Manageriale
CABS	Chartered Association of Business Schools
CSR	Corporate Social Responsibility
CSR Europe	The European Business Network for Corporate Social Responsibility
EFMD	European Foundation for Management Development
EPAS	EFMD Programme Accreditation System
EQUAL	European Quality Link
EQUIS	EFMD Quality Improvement System
ERS	Ethics Responsibility Sustainability
ESCP	École Supérieure de Commerce de Paris
FT	Financial Times
GEC	Grande Ecoles de Commerce
GRLI	Globally Responsible Leadership Initiative
IACBE	International Assembly for Collegiate Business Education
ICCSR	International Centre for Corporate Social Responsibility
IFC	International Finance Corporation
MBA	Master of Business Administration
MDGs	Millennium Development Goals
MEA	Millennium Ecosystem Assessment
NPM	New Public Management
OECD	Organisation for Economic Co-operation and Development
PISA	Programme for International Student Assessment
PRME	Principles for Responsible Management Education
RME	Responsible Management Education
SDGs	Sustainable Development Goals
UNGC	United Nations Global Compact
WBSCSB	World Business School Council of Sustainable Business

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Abstract

For the global business school community, the twenty-first century inaugurated a season of introspection. As global sustainability concerns grew in prominence, critical debate about the purpose of business and its role in society could not be left without an educational response. At the same time, however, it raised the question of whether business schools were at all ready to equip their students for leadership in a world faced by crucial economic, social, and environmental challenges. The answer is not self-evidently positive. Various authors grapple with questions on the purpose of business schools and their relationship with business and society. This empirical study examines the influence of EQUIS accreditation standards on business school practices in the areas of institutional strategies, programmes, faculty, research, and development, as well as in responsible management education at large. Although accreditation is not the only factor that determines what business schools believe, do, and become, it is an important shaper of the direction in which they will find their way forward in the face of twenty-first-century management education imperatives. This has especially become the case since the inclusion of ethics, responsibility, and sustainability (ERS) in the revised EQUIS standards.

The analysis is drawn from a qualitative multi-case study where the author outlined a theoretical framework by developing an understanding of the organisational responses to EQUIS standards, using interviews and document review as the primary source of information. The case study included private, public, stand-alone, and university-embedded business schools. The findings show that business schools engage in a variety of ERS activities in their research and education portfolio. However, different stakeholder expectations pressure business schools to become more ethical, responsible, and sustainable, which leads to a decoupling of the schools' "ERS talk" from their "ERS actions". The decoupling can be seen as the consequence of a school's translation, editing, and imitation activities in order to appear committed to society's demands. Despite budget constraints and limited autonomy, public business schools seem to be more engaged in ERS education and research as compared to private institutions. Also, a multidisciplinary environment further supports ERS development as compared to stand-alone business schools. The research proposes core changes and developments that business schools may take into consideration to provide a systematic response to EQUIS ERS standards and criteria.

1. Chapter One - Introduction

The cross-border reputation of business schools is established through a two-stage filtering system, with international accreditations providing access while acting as “certifiers” and international rankings defining the relative competitive position. Business schools¹ are perceived as slow adaptors to responsible management education; despite some visible activities, there is evidence that responsible management education² remains largely as an “unfulfilled promise” (Cornuel and Hommel, 2015). While many schools have been active in developing ERS courses and research centres, the core of their academic activities (research and teaching) appears largely immune to societal and environmental issues (Hommel et al., 2012). In this regard, European business and management schools have been criticized for failing to educate responsible managers that are able to respond adequately to demands from internal and external stakeholders as well as society at large (Thomas et al., 2014, Starkey and Tiratsoo, 2007). Recent literature and research have been critical about business schools’ integration of ERS into their teaching and research activities. However, the majority of schools are continuously challenged by internal resistance and resource constraints. (Aspling, 2013, Ghoshal, 2005, Alvesson, 2013, Muff et al., 2013, Eric Cornuel et al., 2015). It is widely argued that business schools continue to deliver a narrow view on responsible management education, while many of their primary stakeholders, such as students, governments, and companies, demand a greater sense of purpose (de Onzono, 2011).

Within this context, the European Foundation of Management Education (EFMD) with its institutional accreditation EQUIS (EFMD, 2016a) is playing a

¹ The terms “business school” and “management education” will refer to all institutions that produce research and develop undergraduate, graduate, and/or executive education students in the area of business and management. The term “sustainability” will refer broadly to ethics, responsible management, sustainable development, and corporate social responsibility (CSR).

² Responsible management education functions as the educational target, while ethics, responsibility, and sustainability (ERS) are the academic and institutional underpinning used throughout the EQUIS accreditation standards. In paragraph 5.1.3., detailed information will be provided on specific ERS related standards and criteria.

dual role in the development of ERS in management education. While EQUIS arguably had its share in business schools' narrow-minded approach to research and education in the past, it also plays an important role by driving processes and acting as a change agent in business schools' development (Canals, 2010). In 2012, following the rising economic crisis and the resulting pressure on business schools and EFMD from both internal and external stakeholders (Rasche and Gilbert, 2015, Thomas et al., 2014), EQUIS established far-reaching requirements by integrating ERS transversally in all of its standards and criteria (EFMD, 2016a, EFMD, 2016b). The change implies that responsible and ethical behaviour should be an integral part of a business school's mission, vision, values, and strategies, and that it should be reflected in all of the school's regular activities.

However, accreditation bodies like EQUIS are often embedded in organisations with an intertwined structure of a transnational, member-driven organisation (Wedlin, 2007). While those organisations are largely independent from public or private oversight and regulations, they face complex governance structures and interdependencies with their business school member institutions (Falkenstein, 2014, Bryant, 2013, Hedmo et al., 2001). In this context, scholars such as Muff (2013), Thomas et al. (2013a) argue that the strong relationship between regulatory agencies and regulatees may limit accreditations to be the visionary leader in business schools' change processes and to be a driver for responsible management education.

Business schools are well established in most—if not in all—societies around the globe, with more schools and more students in place than ever before (AACSB, 2011a). On the one hand, these schools are seen as “the cash cows on campus”, and they significantly co-finance other university activities; on the other hand, they greatly support local and global economies by fuelling growth and innovation (Starkey and Tiratsoo, 2007). Management education—as part of the larger higher education landscape—has a broad reach; therefore, it should impact the development and integration of ERS in the private and public sectors as well as in society at large (Bondy and Starkey, 2014). Graduates influence the organisations they work for and, because of this,

business schools should be seen as key partners in moving the sustainability agenda forward. However, business schools are also in fierce competition—not only nationally, but also globally. They consider all opportunities to brand, position, and promote themselves, in order to distinguish the respective school in the large field of management education (Vidaver-Cohen, 2013, Naidoo et al., 2014, Naidoo and Pringle, 2014). In this context, internal and external stakeholders continuously challenge business schools on their role and success in response to the global economic, social, and environmental crises. However, there is evidence that business schools are growingly aware of the importance of shifting towards a more responsible management education model (Cullen, 2015).

At present, the UN-backed Principle for Responsible Management Education (PRME) reports that more than 650 business and management schools worldwide³ have signed onto the initiative. Organisations such as Globally Responsible Leadership Initiative (GRLI) and its 50+20 Initiative as well as the Academy of Business in Society (ABIS) provide guidance and support to business schools with implementing ERS in their strategies, governance, research, curricula, and extracurricular activities (Rasche and Gilbert, 2015). However, the rising importance of responsible management education has led to intra-institutional tensions and created barriers to the actual incorporation of ERS in the practice of business schools (Cornuel and Hommel, 2015). While a recent survey shows that 70% of the Deans and 50% of the faculty believe that responsibility and sustainability have been fully integrated into their organisations, research, and teaching (EFMD, 2013), scholars such as Rasche et al. (2013) identify numerous barriers that prevent business schools from making substantial organisational changes. As schools actively continue adding dedicated courses (often elective), institutes, and centres, Eric Cornuel et al. (2015) argues that the core of their teaching and research activities remain largely untouched. The current debate has polarized business schools

³ Over 650 business and management schools worldwide signed the principles of management education (PRME). Available from: <http://www.unprme.org/participants/> [Accessed 4/12/2016].

and created tension between “RME movements” (which are all pushing for a new management education model), while the majority of schools respond with passivity (Beehler and Luethge, 2013). Until today, a comprehensive and constructive dialogue in business schools, as well as within the wider community, seems to be missing. Therefore, the role of accreditations such as EQUIS is of particularly importance because they drive business school developments. While EQUIS in the past had focused on internationalisation and corporate relations, the accreditation body added a third transversal standard “Ethics, Responsibility, and Sustainability” in 2013 (EFMD, 2016a). The addition of an ERS standard contributed substantially to the current debate and led to this empirical study.

1.1. Aims of the Study

This DBA-HEM research thesis creates an understanding of the impact of the revised EQUIS accreditation standards on the development of responsible management education, particularly in the areas of ethics, responsibility, and sustainability. The aim of the case study is to develop a sociological view of both business schools and accreditations, and the ways in which they change and interact towards a more ethical, responsible, and sustainable education model. The study also aims to assess the influence of business schools’ stakeholder groups and contribute to the research on institutional work by examining the question of how EQUIS maintains its legitimacy, as well as assessing its impact on business school development in the face of change, competition, and emerging alternatives.

While recent studies and academic literature have observed numerous developments shifting towards more responsible management education in business schools and accreditation bodies alike (Vas and Lejeune, 2004, Dyllick, 2015), no specific focus has shifted to the questions: are international accreditations able to guide and drive business schools effectively in their challenge to become more ethical, responsible, and sustainable,⁴ and how

⁴ This thesis does not aim to clarify the meaning of ethics, responsibility, and sustainability, nor will it engage in the debate on the importance of such developments. The author is aware

are business schools responding to ERS-related accreditation standards? EQUIS introduced ERS-related standards only in 2013, which has not allowed for much research on the impact of those standards. This empirical study aims to fill this notable gap and contribute to a better understanding of current trends in responsible management education by investigating the central research question:

How have European business schools with different governance structures responded to the in 2013 established EQUIS accreditation standards, with the focus on ethics, responsibility, and sustainability (ERS)?

While the research aims to find out what the impact of EQUIS is on the development of responsible management, the underpinning research questions are:

1. How did EQUIS develop the new ERS standards and criteria?
2. What are the business school responses to EQUIS ERS standards in the areas of institutional strategies, programmes, faculty, research, and development as well as in responsible management education at large?

First, the empirical study will contextualise the change processes that happened within EQUIS, which consequently led to the revised accreditation standards. Second, the qualitative research study will evaluate ERS developments within European business schools. To trace the debates and responses to ERS, the empirical study focuses on document reviews and semi-structured interviews. The selected schools include the following four governance and funding models, which represent the majority of European business schools:

1. Public institution, university-embedded
2. Public institution, stand-alone

of the different interpretations; however, he follows the terminology of ethics, responsibility, and sustainability (ERS) as defined by EQUIS. The research focus lies on the EQUIS accreditation framework, as defined by the body's standards and criteria, and limits its investigation to European business and management schools.

3. Private institution, university-embedded
4. Private institution, stand-alone

The case institutions matrix is informed by the common belief often cited in business school and accreditation circles that stand-alone (or autonomous) and privately funded (or independent) institutions are more responsive to market needs as compared to university-embedded and/or publicly funded institutions (de Onzono, 2011, Thomas et al., 2013c).

Tracing the debate on the impact of accreditation standards in the context of organisational institutionalism, the case study also assesses how European business schools have responded to the new EQUIS accreditation standards and how the revised criteria are influencing ERS development in the areas of institutional strategies, programmes, faculty, and research. The research specifically focuses on the business school environment and its internal and external stakeholders. These stakeholders appear as drivers and barriers, and thus are of importance in understanding and assessing the ERS development processes within business schools. Finally, the study also seeks to answer the question: what feedback have institutions provided to EQUIS concerning the new ERS standards and has this feedback influenced the EQUIS assessment strategy?

The theoretical lens of the research is organisational institutionalism. While the empirical research will recognise that business schools—as organisations under pressure—engage in isomorphic behaviour, institutionalism is the guiding theory. The thesis will investigate how business schools decouple their ERS actions from discussions by engaging in translation, editing, and imitation activities. The research is set within the frame of two opposing views that are widely discussed within ERS literature, ERS organisations, think tanks, and business school circles:

1. EQUIS accreditation is a progressive development tool and is well designed to lead business schools in their ERS developments; and
2. EQUIS supports conservative business school agendas, and the new accreditation standards are symbolic signals that will not create

substantial change in business schools (Thomas et al., 2013a, Starkey and Tempest, 2008, Rasche and Gilbert, 2015).

1.2. Structure of the Thesis

The thesis is structured around seven chapters. **Chapter One** begins with an abstract, a short summary of the thesis, and a brief overview of the business school environment in which the research was conducted. The chapter concludes by explaining the aims of the study and the structure of the research and thesis.

Chapter Two examines the literature on European business schools by reviewing the development of management education in the twentieth century until the present day. The chapter critically analyses the relevant literature and discusses the implications of the different institutional models, comparing university-embedded institutions against stand-alone business schools, as well as private vs. publicly funded institutions. Internal and external drivers and barriers in management education are also discussed in this chapter. The literature review reflects further on accreditation and the pressure that business schools experience through diverse audit and quality management exercises. The chapter also explains the evolution of business school networks and accreditation bodies and critically examines the rise of transnational accreditations and regulations along with their particular frameworks for quality management. In this context, the role of New Public Management (NPM) is explained before looking more in-depth at EFMD and EQUIS accreditation, and their history, governance structure, and relationship with business schools. The final focus of Chapter Two is on the role of internal and external stakeholders in the development of responsible management education.

Chapter Three starts by reviewing literature on the theory of organisational institutionalism concerned with market-based accreditation mechanisms that encourage isomorphism and global mimicry in management education. Literature on the organisational behaviour of business schools under coercive,

mimetic, and normative pressure and other environmental influences is also reviewed. In this context, I reflect on the literature on institutional theory in general and on the organisation of business schools in particular. I also discuss the theoretical framework, introduce organisational institutionalism to the research, and describe the importance of institutional theory to the research project. Emphasis is placed on the theory of isomorphic change in business schools under coercive, mimetic, and normative pressures and how it may lead business schools to decouple their ERS actions through the on-going process of translation, editing, and imitation.

Chapter Four elaborates on the research methodology by explaining the research approach and use of qualitative methods as well as the philosophical approach, ontology, and epistemology. This chapter outlines the research design and explains the design factors and the different research methods used within the case study. The chapter concludes with a discussion of the case selection process, data collection, the use of the different interview formats, and the data analysis procedures.

Chapter Five presents the outcomes from data collection, fieldwork, and desk research. While the first part describes the internal processes as well as strategies, drivers, and barriers of ERS development within EQUIS accreditation, the second part reflects on how business schools respond to ERS-related accreditation standards. The focal points of the research follow the scheme of the accreditation standards. While EQUIS consists of ten different standards, several key areas emerged during the fieldwork as the most relevant in response to the research questions, and these areas help link the case institutions to the methodology and theoretical frame of this thesis. As a next step, data from desk research and interviews will be presented individually for each case in the areas of governance and strategy, programme development, and faculty and research. The chapter also reflects on case descriptions, drivers and barriers, and the role of EQUIS in the development of ERS. In order to describe the cases authentically, Chapter Five consists of a number of quotes from transcripts of interviews as well as document reviews.

Chapter Six engages in a cross-case analysis and assessment of the research findings by presenting the key outcomes from data analyses following the fieldwork, which includes interviews, desk research, and document reviews. The chapter highlights the tensions revealed throughout the empirical study and presents research findings from EQUIS and the case institutions organised in individual themes, nodes, and sub-nodes. The chapter also discusses the catalysts and boundaries (drivers and barriers) faced by business schools in their ERS development and assess the roles of key personnel such as senior management, professional and academic leaders, students, faculty, and employers. The chapter presents the key findings based on the research outcomes drawn from the cross case analyses, which contextualised the research aim and questions by comparing the different types of case schools.

Chapter Seven discusses the overall outcomes of this thesis, reflects on the research, and seeks to answer the question of whether the findings successfully meet the aims of the study. At this final stage of the thesis, I reflect on the research journey, with consideration of the answers given to the research questions and a wider application of the key findings and their implications. This chapter also provides concluding arguments insights and implications from the empirical study, literature, and practice. It includes a discussion of potential directions for future research and presents implications of this study for professional practice. The discussion further reviews the case institutions' approaches towards ERS by assessing the achievements, challenges, and individual organisational responses to institutional and environmental change. Research outcomes on coercive, mimetic, and normative mechanisms, as well as isomorphic change in organisational institutionalism, will be further discussed and contextualised. Chapter Seven concludes the thesis by discussing the EQUIS accreditation's impact on management education and on ERS developments in particular. The chapter draws implications from the study and lays out future scenarios for ERS by exploring implications for EQUIS and business schools alike. The final conclusions are drawn while discussing implications of the thesis for professional practice and suggesting potential themes for future research.

2. Chapter Two - Literature Review

This chapter reviews various dimensions of the literature on European business schools and the development of management education from the twentieth century until the present day in order to lay a foundation to respond to the central research question: “How do European business schools respond to the newly established Ethics, Responsibility, and Sustainability (ERS) standard in EQUIS accreditation?” In this context, the chapter also takes stock of the literature on responsible management education, its origins, and its main drivers and barriers. The literature review provides the opportunity to discuss the different institutional models of business schools and their international accreditation bodies. The chapter also describes the landscape in which the thesis is set by analysing the history of business schools and explaining the origins of management education while reviewing literature that reflects on the different business school models in Europe. The chapter further reviews literature on the evolution of different accreditation bodies and their relations to business schools. Connecting the three elements of business schools, accreditations, and ERS will draw a picture of the current management education scene, which is an important foundation of this empirical study. Only within the context of an understanding of these three dimensions, will the theory, research, and conclusions from the empirical study be understood. The literature on responsible management education, as well as on the history of business schools and accreditation laid the basis for the empirical study.

2.1. Context of Responsible Management Education

In order to investigate the research aim and questions of this empirical study, it is important to link responsible management education to the operation and developments of business schools. Business schools are well established in most—if not in all—societies around the globe, with more schools and more students in place than ever before (Thomas et al., 2013a). They often function

as a “cash cow” and provide significant funding that supports other university activities, and they support all levels of the economy through promoting growth and innovation (Starkey and Tiratsoo, 2007). However, since 2007 and the beginning of the global economic crisis, European business schools have faced fundamental changes and reforms forced by new paradigms and relationships among markets, the state, and the institutions themselves (de Onzono, 2011, Thomas and Peters, 2012, Muff et al., 2013, Thomas et al., 2013a, Thomas et al., 2014, Cornuel and Hommel, 2015). Drivers for change often include economic and social developments in a school’s regional, national, and international context. Most European countries are currently in a difficult position, either directly or indirectly affected by economic downturns and a deep economic crisis (OECD, 2015b). Severe budget cuts together with decreasing student enrolment numbers challenge public schools especially, but private institutions also feel the pressure of the market (Thomas et al., 2013a). Within this environment, European business and management institutions are facing an uncertain future with strong competition on the international as well as national levels.

Deregulation, diversification, and decentralization have strong impacts on business school agendas and strategies (Rhoades and Sporn, 2002), and so do management instruments (such as accreditations) as well as league tables and rankings (Wedlin, 2007). Both are development tools that define business schools’ agenda and support benchmarking, but they also stir competition among business and management schools and clearly distinguish between them (Thomas and Bradshaw, 2007). According to Bryant (2013), the reputation of the top-tier business schools is established on the basis of a two-stage filtering system, with international accreditations on one side, providing access, and international rankings on the other side, which define the schools’ relative competitive positioning.

The higher education sector is strongly influenced by the labour market to prepare highly qualified graduates that are able to work in a globalised world (Clark, 1998, Swaen et al., 2011). With the rise of globalisation, business schools as well as their parent universities are being transformed by the

power and ethics of the marketplace, with increased economic and social pressure and growing national and international competition (Kirp, 2009, Frølich et al., 2012). As international competition has increased substantially for companies, business schools are witnessing ever-increasing competition on a global level. In addition, the relationship between state and public institutions is also changing. While the state is moving away from control and supervision, continental European business schools have received more autonomy in faculty hiring and resource allocation (Müller-Böling et al., 1998). Furthermore, boards and councils have been introduced to create internal evaluation systems and supervision.

In the context of market orientation and state withdrawal, many institutions realised that with their existing structure and processes, they were not adequately prepared for these new challenges. Internationalised programme portfolios and curricula, faculty with substantial international teaching and research experience, and global cooperation with academic and cooperate partners developed quickly and are the reality today for many business and management schools in Europe (AACSB, 2011b). In this context, increasing student mobility, the search for the best students, and limited student numbers in local markets has shifted the focus of many schools to recruit students internationally. Faculty is also increasingly mobile, and strong international teaching and research experience is imperative for most academics today (O'Brien et al., 2010). While business and management education is often seen on the forefront of change in higher education, Crainer and Dearlove (1998) see business schools confronted with the insistent claim that “the whole business school world has lost its educational soul and become enthralled by money”. Recent literature claims that globalisation in the corporate world has had a strong impact on business schools, and, in response, demands strategic developments within management education (Khurana, 2010, Rayment and Smith, 2010, Ghemawat, 2011).

Management education—as part of the larger higher education landscape—has a broad reach. Therefore, it should impact the development and integration of ERS and corporate social responsibility (CSR) in private and

public sector institutions as well as society at large (Bondy and Starkey, 2014). Graduates also have a strong influence on the organisations they work for, and because of this, business schools should be seen as key partners in moving the sustainability agenda forward. However, and as noted previously, business schools are also in fierce competition—not only nationally, but also globally—and must consider all opportunities to brand, position, and promote themselves in order to distinguish the respective school in the management education industry (Vidaver-Cohen, 2013, Naidoo et al., 2014, Naidoo and Pringle, 2014). In this context, internal and external stakeholders have continuously challenged business schools on their role and success in response to the global economic crisis. However, there is evidence that business schools are aware of the importance of shifting towards a more responsible management education model (Cullen, 2015). Currently, the UN-backed Principle for Responsible Management Education (PRME) indicated some 650 business and management schools worldwide⁵ have signed the initiative and report on their research and teaching developments. The Globally Responsible Leadership Initiative (GRLI) and the Academy of Business in Society (EFMD) have urged business schools to implement ethics, responsibility, and sustainability into their strategies, governance, research, and curricula as well as into their extracurricular activities (Rasche and Gilbert, 2015). However, rising interest in responsible management education has also led to intra-institutional tensions and, according to Cornuel and Hommel (2015), has created barriers in the actual incorporation of ERS in the practice of business schools. While a recent survey shows that 70% of Deans and 50% of faculty members believe that responsibility and sustainability have been fully integrated in their organisations (EFMD, 2013), another study identifies numerous barriers that prevent business schools from enacting substantial organisational changes that would allow them to become truly ethical, responsible, and sustainable organisations (Rasche et al., 2013). While schools have been active in adding dedicated (elective) courses,

⁵ Over 650 business and management schools worldwide are signatory to PRME. Available from: <http://www.unprme.org/participants/> [Accessed 4/11/ 2016].

institutes, and centres, the core of their teaching and research activities remain largely untouched (Eric Cornuel et al., 2015). Following Hommel et al. (2016), the current debate polarizes business schools and creates tension between RME movements pushing for a new management education model, while many schools respond passively (Beehler and Luethge, 2013). Until today, a comprehensive and constructive dialogue in business schools, as well as within the wider community, seems to be missing. Therefore, the role of accreditations such as EQUIS is of particular interest because they drive substantial business school developments and change. EQUIS contributed to the current debate when it shifted from its past focus on internationalisation and corporate relations and added a third transversal standard, “Ethics, Responsibility, and Sustainability” (EFMD, 2016a), in 2013.

2.1.1. Fault Lines: Management Education vs. Responsible Management Education

Tensions are often discovered in retrospect. They emerge from developments and decisions in context, but they tend to have significant and lasting impact. The tensions are often best perceived from a distance, especially in temporal space when the lens of history affords us the opportunity for perspective and interpretations.

Several authors offer cryptic versions of the history of business schools development. Anderson and Escher (2010) describe an early era premised on the professional development of managers, followed by the post-World War II era of academic specialisation with an emphasis on economics and quantitative analysis. Pettigrew et al. (2014) identify three phases, the first of which was anchored in commercial colleges teaching practical skills to business people; the second was characterised by a scientific and academic research-oriented approach, and the third involved a time of criticism, decoupling, and disengagement from society. Hommel and Thomas (2014) refer to the trade school era, the science era, the practice-based era, and the era of Americanisation. In these and other efforts to condense and summarise the development history of business schools, there appear to be three distinct phases: namely, one of practical relevance (the beginning); one of scientific

rigour (the middle); and one of critique, and for some, even cynicism (the current phase). These developments may simply appear as the consequences of a historic process, but at a deeper level represent the seedbed of four fault lines that have characterised and plagued management education for the better part of the last thirty years: rigour versus relevance, business versus society, facts versus values, and academia versus business.

The first phase of business school history involved the professional development of managers, and the second was about developing management education as a science. Herein lies the essence of the “rigour versus relevance” dilemma, namely that management education has a “double hurdle to master” (Hommel and Thomas 2014) to be acceptable for academia and relevant for practice at the same time. Escudero (2011) refers to it as the “uncomfortable intersection of how business communities are evolving in the real world and the rigour of an academic endeavour”. Datar et al. (2010) describes it in terms of the clash of two cultures, namely, “the soldiers of organisational performance” against “the priests of research purity”, from which the latter emerged as the winner. How schools manage this fault line has consequences for their acceptance and legitimacy in the tertiary sector, their reputation for quality in the face of accreditation and ranking criteria, and their relevance for industry and prospective students.

The second fault line in the development trajectory of management education becomes evident in the choice of business over society as the primary beneficiary of business schools’ academic projects. Anderson and Escher (2010) make reference to an experiment indicating how MBA students, before commencing their studies, believed that corporations exist to benefit society, and upon graduation, declared that their purpose was to maximise shareholder value. Roome et al. (2011) point to the mismatch between the narrow focus and content of management education and the negative impacts of business on economic, social, and environmental systems. Starkey and Hatchuel (2014) speak about business schools’ failure of moral purpose and collusion with unsustainable business practices. McKiernan and Wilson (2014) use path dependence theory to show how business schools became

locked in and subservient to private firms as a subsection of the economy, thereby forfeiting the relevance they could have had for wider society. While business schools did respond to the demand for academic rigour, the type of scientific work that followed was primarily of a positivist and empiric nature that was predisposed to serve the needs of business efficiency and growth.

The most essential of fault lines is of an epistemological nature and exposes the facts versus values split to which management education fell prey. Ghoshal (2005) offers the clearest explanation of what is at stake here. Reflecting on corporate scandals and the widespread academic condemnation thereof, Ghoshal argued that it was exactly the theories and ideas being taught in business schools that “have done much to strengthen the management practices that we are now so loudly condemning”. It is a false assumption, Ghoshal asserts, to think that management theories such as agency theory, transaction cost economics, and game theory are amoral, and only have the potential to cause behaviours with immoral consequences. Similar sentiments are echoed by others: Thomas et al. (2014) refer to management education’s overemphasis of shareholder capitalism and focus on analytical/scientific rigour at the expense of wisdom and interpersonal and management skills; Swaen et al. (2011) lament the inability of management students to balance business effectiveness with societal purpose and sustainable development; Starkey and Hatchuel (2014) drive the point home that business schools are too limited in their social science base, whilst dominated by economics, finance, and a narrow form of positivism. As a result of this fault line, students of business and management became well equipped to optimise the mechanisms of business, but fall short in awareness of the systemic consequences of their decisions and actions on the economy, society, and environment.

The last of the fault lines refers to what happened with the institutional identity of business schools, namely that they evolved from predominantly scholarly institutions to the likeness of business enterprises (Naidoo and Pringle 2014). Business schools became more synonymous with profit-making business organisations (McKiernan and Wilson 2014), more market dependent (Naidoo

and Pringle 2014), and more reputation conscious (Hommel and Thomas 2014). Although broader societal developments have pushed universities towards greater financial independence, they have also worked in favour of universities establishing business schools, which can be more self-sufficient than other departments and contribute to the institutional purse at the same time.

With the financial crisis of 2008, these fault lines became the proverbial “chickens coming home to roost”. The crisis not only shocked the markets, it also ripped open a debate about the very foundations of business education. An emerging conversation about the relevance and future of management education (Datar et al. 2010; Moldoveanu and Martin 2008; Morsing and Rovira 2011) was now tormented by questions about the complicity of business schools in providing the theoretical assumptions upon which such ill-informed business practices could be based as well as the types of leaders and managers that business schools produce. Anderson and Escher, Harvard MBAs of the class of 2008, pleaded that “placing the entirety of blame for the 2008 collapse on MBA graduates like us is a bridge too far. On the other hand, holding us blameless is a bridge too short” (2010). Several others (Roome et al. 2011; Thomas et al. 2014; Swaen et al. 2011; Escudero 2011; Losada et al. 2011; Samuelson 2011) argued that business schools would inevitably be implicated and undergo heightened scrutiny in the analysis of irresponsible business behaviours that led to the crisis. Out of this, however, also appeared a positive response, namely, a clarion call for new thinking. This call was echoed by many (Badelt and Sporn 2011; Morsing and Rovira 2011; Roome et al. 2011; Escudero 2011), but perhaps best phrased by Samuelson (2011, 158):

The financial crisis has opened the door for fresh, scholarly inquiry about the very purpose of business and sparked debate about how key frameworks are communicated to students, especially in finance and economics classrooms—places where students receive the most powerful messages about business decision-making.

2.1.2. Drivers and Barriers for Responsible Management Education

Business schools are stakeholder-driven organisations that rely strongly on the overall mandate, legitimacy, belonging, and prestige they receive from their internal and external stakeholders (Maak and Pless, 2006, Vidaver-Cohen, 2013, Morsing and Schultz, 2006). Peter Lorange (2010) also sees the development of know-how, as well as competitive and comparative advantages, as a strong driver in the strategy of business and management schools. In this context, integrating ethics, responsibility, and sustainability into all major areas of business schools is an on-going challenge in the current management education world. The UN Secretary General highlighted in a panel on global sustainability that business schools had a responsibility (as part of the higher education landscape) to respond to the needs of the twenty-first century and to take a leading role in society to drive economic growth, social equality, and environmental sustainability (UN Secretary-General's high-level panel on global sustainability, 2015, WEF, 2014). The panel referred to the following three areas that affect management education and on which business schools should focus in their research and knowledge production:

Economic growth: Many countries are currently struggling substantially with high unemployment rates and low or negative growth rates that are leading to large budget cuts in the public and private sectors. Governments cut their budgets in order to reduce national debts that their countries are facing, and in return, the allocation of financial resources has declined over the past years and fundamentally challenges these societies. In the meantime, unemployment rates in most European countries are projected to rise further, and inflation and wage pressures will remain subdued (OECD, 2015a). In essence, governments and the public sector have to work with lower budgets and find other funding sources to balance the funding cuts (Gumport, 2000) that subsequently affect management education on all levels.

Social equality: Based on the UN Millennium Development Goals (MDG),⁶ world leaders promised to reduce by 2025 the number of people living in poverty by 50%. This goal is in the current environment out of sight, largely because of rising populations in some of the poorest countries in combination with the current economic crises.

...the drivers of that challenge include unsustainable lifestyles, production and consumption patterns, and the impact of population growth. As growth is predicted from 7 billion to almost 9 billion inhabitants by 2040, the demand for resources will rise exponentially. By 2040, the world will need 50% more food, 45% more energy, and 30% more water (UN Secretary-General's high -level panel on global sustainability, 2015).

This means that developing countries will be challenged to enlarge their capacity for education and job creation if they want to prevent frustration and social unrest among the younger population. In contrast, developed countries must prepare for lifelong education and old-age employment, with younger talent becoming increasingly scarce (Hay, 2008, Morsing and Schultz, 2006, Muff, 2013).

Building on the MDGs, the United Nations introduced in September 2015 the 2030 Agenda for Sustainable Development, better known as the Sustainable Development Goals (SDGs; (Weiss et al., 2016). The SDGs are a set of 17 aspirational *Global Goals* with 169 targets guided by the often-quoted assertion from United Nations Secretary-General Ban Ki-moon: “There can be no Plan B, because there is no Planet B” (Loewe, 2012). The 17 goals address a broad range of sustainable development issues, included ending poverty and hunger, improving health and education,⁷ making cities more sustainable, combating climate change, and protecting oceans and forests (Griggs et al., 2013). The SDGs clearly outline a defined universal, integrated, and transformative vision for a better world.

⁶ United Nations website. Available from: <http://www.un.org/millenniumgoals/> [Accessed 20/12/2016].

⁷ Goal 4: “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.”

During one of the plenaries at EFMD's 2017 Deans and Directors Conference in Ljubljana, Jeffrey Sachs, Director of The Earth Institute at Columbia University and special advisor to the United Nations, along with Geoffrey Lipman, co-founder of Strong Universal Network, talked about the challenges and goals of sustainable development for business schools. Both agreed that the SDGs provide substantial opportunities for the academic world, but that academia needed to approach them with a big reality check. "Above all, Climate Resilience must be the overarching top focus, because it is existential. Existential means that if we don't fix it, future generations won't survive," Lipman said.

Environmental sustainability: The United Nations-commissioned Millennium Ecosystem Assessment (MEA) highlights that humans have radically altered global ecosystems over the last 50 years and that economic gains have mainly been made on the backs of ecological costs (MEA, 2015). The report documents that over 60% of ecosystem services (water, land, and air) have degraded over the past half century and become more costly. Scientists assert that with the continuation of this trend, the world faces the considerable risk of irreversible and abrupt environmental change due to global warming and the perpetuation of environmentally unsustainable behaviour in developed countries and developing countries alike (OECD, 2015a).

In this context, business schools, as part of higher education, must reflect on all aspects of society by training students to act and react responsibly to economic, social, and environmental challenges (Pettigrew et al., 2014, Cullen, 2015, Eric Cornuel et al., 2015). While the above social, economic, and environmental needs are drivers for responsible management education, the following barriers and their impact on isomorphic behaviour in business schools have been discussed in recent literature (Eric Cornuel et al., 2015, Cornuel and Hommel, 2015) and will be further investigated in this research study:

Barrier 1: Students (Customer versus Consumer)

- Supply push (higher starting salaries for graduates) against the demand pull (increase of quality and quantity of student applications)
- Employers' interest

Barrier 2: Consumption Patterns

- Different programme formats such as full-time, part-time, and online
- Virtualisation makes it difficult to introduce ethics, responsibility, and sustainability

Barrier 3: Intellectual Production

- Academic freedom versus faculty management
- Individual (faculty) interest versus institutional interest
- Isomorphic research behaviour caters to mainstream academic communities

Barrier 4: Industrial Production Models

- Service and customer orientation
- Standardization and “volume game”
- Industrial production models of management education (isomorphic influence)

Barrier 5: Rankings, For-Profits, and Entrepreneurialism

- Deregulation and privatization of higher education
- For-profit education (from public to private) leads to commercial education activities, such as executive education and consultancy
- Business school rankings are a reputation exercise with spiralling costs

2.1.3. Responsible Management Education and Accreditations

Debates around the importance of responsible management education arrived in the epicentre of business schools only following the eruption of the economic crisis in 2007 (Muff et al., 2013, Starkey et al., 2004). Business schools began to understand that continued demand for management

education and market growth is not in itself an adequate indicator of the value and success of management education (Thomas et al. (2014)). Many different approaches have been encouraged to reconnect management education with business and society. Buzzwords such as corporate social responsibility, corporate citizenship, business ethics, social entrepreneurship, corporate sustainability, and conscious capitalism are widely used and common in the marketing and communication plans of business schools (Holland, 2009, Cornuel and Hommel, 2015, Gosling, 2003, Mintzberg, 2004, Naidoo and Pringle, 2014). However, beside the many commitments and discussions, Dyllick (2015) argues that most business and management schools continue to teach biased content in business functions, often ignoring the fact that these functions have negative effects on the sustainability performance of companies (Bondy and Starkey, 2014). Many management education institutions also dismiss public interest in favour of private interests (Muff, 2013). In this context, the definition and understanding of ethics, responsibility, and sustainability depends largely on cultural background and values. Therefore, it is not surprising that concepts of ethics, responsibility, and sustainability (ERS) are interpreted differently throughout the management education world (Nohria and Khurana, 2010).

EFMD revised its EQUIS accreditation standards and criteria in 2013 and established far-reaching requirements to integrate ERS transversally into all major areas of business and management education (see Figure 1) (Thomas et al., 2013a). The changes imply that responsible and ethical behaviour should be an integral part of a business school's values as well as strategy and should be reflected in its regular activities. The new transversal accreditation standards also established definitions for ethics, responsibility, and sustainability.⁸ The question on how and why the accreditation body

⁸ "Ethics refer to the School's behaviour that should be based on the values of honesty, equity and integrity. These values imply a concern for people, society and the environment and the commitment to encourage and promote ethical behaviour of its faculty, staff and students by identifying, stating and applying standards of ethical behaviour in the School's decisions and activities. The essential characteristic of responsibility is the willingness to incorporate broader social and environmental considerations into its decision-making and to be accountable for the impacts of its decisions and activities on society and the environment.

changed and integrated ERS in the standards will be further discussed and is part of the empirical study of this thesis.

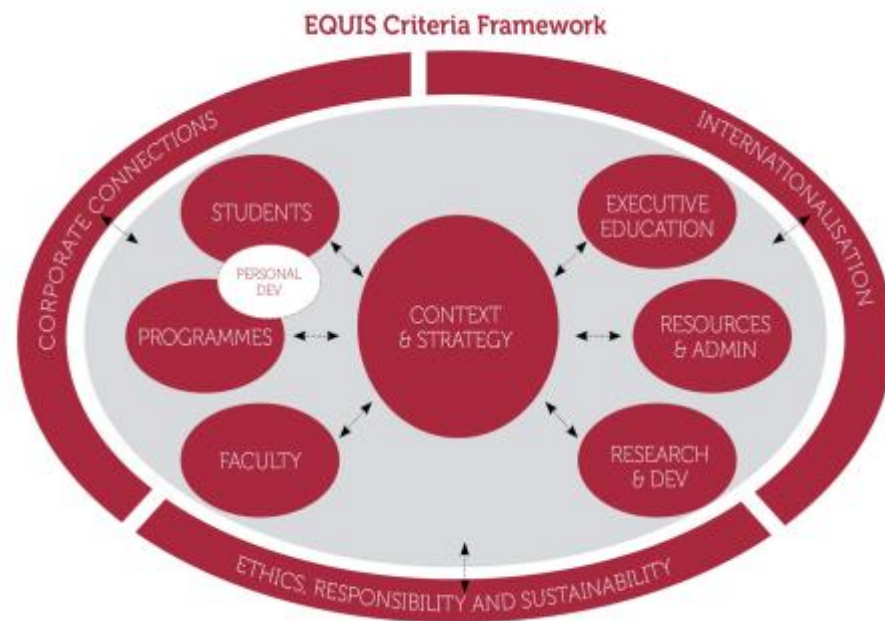


Figure 1: EQUIS Criteria Framework
(EFMD, 2016a)

In addition to this development, AACSB introduced new criteria for responsible management education in their 2013 revised Business School Accreditation Standards (AACSB, 2015). By linking responsibility and sustainability to the initial eligibility phase, AACSB expects substantial developments to be in place prior to a school entering the accreditation process. One of the guiding principles is that “The school must encourage and support ethical behaviour by students, faculty, and professional staff” (AACSB, 2015, AACSB, 2011a). A strong commitment to corporate and social responsibility is demanded and “The school must demonstrate a commitment to address, engage, and respond to current and emerging corporate social responsibility issues (e.g. diversity, sustainable development, environmental

Sustainability is about the social, environmental and economic challenges and goals common to society as a whole and the planet. It refers to issues such as sustainable resource use, sustainable consumption and developing a sustainable society and an economy.” EFMD 2016a. EQUIS Standards and Criteria 2016. European Foundation of Management Education (EFMD).

sustainability, globalisation of economic activity across cultures) through its policies, procedures, curricula, research, and/or outreach activities” (AACSB, 2015).

2.1.4. Stakeholders for Responsible Management Education

Stakeholders in accreditation organisations such as the EFMD are the business and management schools themselves, together with corporate and public organisations, students, faculty, alumni, employers, governments, and society at large (Maak and Pless, 2006, Waddock et al., 2010, Muff et al., 2013). These heterogeneous stakeholders with their different interests are driving the strategies and agendas of accreditation agencies (Carroll and Buchholtz, 2011, Starkey and Madan, 2001). Thus, an analysis of stakeholder interest is essential when new accreditation standards are developed or existing ones are revised (Thomas and Peters, 2012). In response to the economic, societal, and environmental crises, accreditations and business schools have been challenged by their stakeholders to create standards that include responsibility and sustainability, and that respond to socio-economic issues such as social equality and economic growth (Rusinko, 2010, Scharmer, 2009, Swaen et al., 2011). Stakeholders push business schools to respond to those demands (Rasche et al., 2013), which further encourages their educational mission to shift towards more responsible management education (Friga et al., 2003).

2.1.5. Responsible Management Education Networks

Within business and management education, various non-profit organisations have emerged in recent years and influence the development of responsible management education by business schools. In response to the economic crisis and mounting public criticism of business schools, responsible management think tanks and networks began to play an increasingly important role in developing new paradigms and defining strategies and paths out of the “gridlock” (Podolny, 2009, Muff et al., 2013). Some of these noteworthy and influential organisations are introduced here as laboratories and drivers that are supporting business schools in RME development.

The **United Nations Global Compact** (UNGC), founded in 2000, is an initiative that engages companies and corporations worldwide to adopt sustainable and socially responsible policies, and also to report on their implementation (Escudero et al., 2012). The UNGC is based on 10 principles in the areas of human rights, labour, the environment, and anti-corruption. The Global Compact is the world's largest corporate citizenship initiative and is guided by two objectives: "Mainstream the 10 principles in business activities around the world" and "Catalyse actions in support of broader UN goals, such as the Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs)".⁹ However, the UN Global Compact faces criticism for failing to hold corporations accountable, due to a lack of any effective monitoring and enforcement provisions (Godemann et al., 2011). Civil society organisations argue that the corporate world has misused the Global Compact as a public relations instrument and as an argument to oppose any binding international regulations on corporate accountability.

Under the umbrella of the UNGC, the **Principles for Responsible Management Education** (PRME) initiative was founded with the mission to develop responsible management education, research, and thought leadership (Escudero et al., 2012). Like the UNGC, this initiative was inspired by internationally accepted values focused on the area of management education (Compact, 2007). The aim is to develop a new paradigm in business and management education by changing curricula, research, teaching methodologies, and institutional strategies in order to develop a new generation of business leaders that are capable of managing the complex challenges faced by business and society in the twenty-first century.¹⁰ Similar to the UNGC, PRME faces criticism for not being effective enough or efficient in its implementation and monitoring of ERS, but rather providing schools the opportunity to "green wash" and to "hide" behind a loosely followed-up annual PRME report (Holland, 2009).

⁹ UNGC website. Available from: <http://www.unglobalcompact.org> [Accessed 22/12/2016].

¹⁰ PRME website. Available from: <http://www.unprme.org> [Accessed 22/12/2016].

The **Globally Responsible Leadership Initiative** (GRLI) is a partnership of international companies and business schools that are actively searching for a change in business schools by reframing the purpose of management education.¹¹ The **50+20 Initiative** is a collaborative effort of the GRLI, PRME, and World Business School Council of Sustainable Business (WBSCSB) that searches for new ways and opportunities for management education to transform and reinvent itself by asking critical questions about the purpose of business and the crucial role of leadership (Aspling, 2013, Muff, 2013).¹² The GRLI itself is a think tank that collaborates directly with accreditation agencies and is co-founded and funded by the AACSB and EFMD. In 2013-2014, GRLI organised the *50+20 Innovation Cohort*, a project that brought together university leaders to develop future scenarios for management education. In this project, a group of faculty and university senior administrators aimed to raise the visibility of, and advance awareness on, the inclusion of ERS in business school education. This “ERS Values in Action Group”¹³ compiled perspectives on how various business schools define ethics, responsibility, and sustainability as well as how the schools build it into their research, teaching, and service. The work of this group included an unpublished “Values in Action” white paper, with peer-learning perspectives on Ethics, Responsibility, and Sustainability (ERS) in Business School Accreditation, which provided initial guidance and inspiration for this empirical study.

The **Academy of Business in Society** (ABIS) links companies with academic institutions that allow businesses to benefit from research findings and address their knowledge needs with leading academics and business peers. ABIS also translates research outputs and business cases into teaching material that brings sustainability and responsibility into business

¹¹ GRLI website. Available from: <http://www.grli.org> [Accessed 22/12/2016].

¹² 50+20 website. Available from: <http://50plus20.org> [Accessed 22/12/2016].

¹³ The ERS Values in Action Group consisted of Deans, faculty and administrators from: ESSEC Business School, France; University of St Gallen, Switzerland; LUISS Business School, LUISS University, Italy; Kemmy Business School, University of Limerick, Ireland; Ivey Business School, Canada; Gothenburg School of Economics, Business, and Law, Sweden; Barcelona School of Management, Spain; and The New School, USA.

schools and university classrooms worldwide.¹⁴ The ABIS Directory follows up the first comprehensive “Survey on CSR Teaching and Research in Europe”, conducted by Nottingham University Business School’s International Centre for Corporate Social Responsibility (ICCSR) in partnership with ABIS and with the support of the EFMD. The Directory provides a comprehensive inventory of teaching activities at participating business schools; it lists modules, programmes, and courses, and makes transparent how institutions integrate corporate social responsibility (CSR) topics into the traditional core subjects (Thomas et al., 2013c). However, Matten and Moon (2004) argue that the Directory neither evaluates nor ranks the listed activities, and therefore fails to provide benchmarks and guidance on best practices. When evaluating these organisations and their relevance, it is important to note that they are both strongly interconnected with each other and have strong links to business school accreditation agencies. For example, EFMD and AACSB are on the boards of the organisations and also provide funding support to PRME, ABIS, and the GRLI.

2.2. History and Context of Business Schools

In order to find answers to the research questions and to understand the relation between business schools and accreditations, and more specifically, the influence of the latter on the former, it is important to review the history of business and management education and to understand the origins of the different models when evaluating their responses to accreditations. During the nineteenth and twentieth centuries, management education developed rapidly in parallel with industrialisation in Europe and the United States. Notably, in 1819, the world’s first business school ESCP was founded in Paris, France, followed by the development of schools of commerce and business within established universities as well as separate institutions such as the London School of Economics (1895), University of St Gallen (1898), Bocconi

¹⁴ ABIS website. Available from: <https://www.abis-global.org> [Accessed 22/12/2016].

University (1902), and Stockholm University of Economics (1909; (Locke, 1989). In the United States, the Wharton School of Finance and Commerce was established in 1881 at the University of Pennsylvania, followed by the Universities of California, Chicago, New York, and Harvard (Locke, 1989). In this era, business schools consisted largely of vocational training not seen by established departments of economics as either an academic unit or a science (Maassen, 2006, Locke, 1989). Students of management and business were trained in mostly practice-oriented schools until the foundation of university-based business schools (Datar et al., 2010). Business scholars such as Khurana (2010) have questioned up until the present day whether those schools succeeded in creating a systematic and coherent body of knowledge that makes management education a “science”.

Substantial differences in management education evolved between Western European countries such as France, the UK, and Germany. For example, France traditionally developed its management education in close collaboration with regional chambers of commerce (and not universities), leading to the foundation of the prestigious league of **Grande Ecoles de Commerce** (GECs; (Engwall and Zamagni, 1998). By 1900, 11 Grande Ecoles de Commerce were in existence (2 in Paris and 9 in the provinces), while today, there are 37 registered GECs (Ecoles, 2014). In Germany and England, management education was likewise widely ignored by research universities and their economics departments, which did not want to be associated with “such a non-academic field” (Locke, 1989). The rise of American business schools started in the 1950s (after World War II), when most of the approximately 2,500 American universities and colleges quickly integrated business education into their curricula and coursework (Engwall and Zamagni, 1998).

In October 1959, the Ford Foundation and the Carnegie Corporation for the Advancement of Education published two highly influential studies¹⁵ that were critical of the state of US business schools and management education (Gordon and Howell, 1959). The reports are seen as a turning point in management education as their main criticisms consisted of: a) poor students, b) untrained faculty, c) unintellectual curriculum, d) lack of theoretical research, and e) lack of mission (Berman, 1983, Locke, 1989). The authors of the reports claimed that in order to be recognised as academic institutions, business schools needed more “A+” students, stronger academic curricula, PhD-holding faculty members, and a considerable amount of theoretical research (French and Grey, 1996). In a first response to the reports, leading institutions such as Harvard, Columbia, Chicago, and Stanford quickly developed doctoral business and management programmes in order to establish rigorous academic and scholarly business education (Daniel, 1998). Other schools followed, and in consequence, US management education was largely transformed into a more rigorous academic environment, where scholarly-driven research and teaching dominated a school’s portfolio (Khurana, 2010). European management education (after World War II) was highly influenced by developments in US management education. Similarly here, a report that helped to “pave the road” was commissioned by the Anglo-American Council on Productivity (Productivity, 1952) after a high-level British delegation visited US universities and business schools. Following this, many European academics and administrators crossed the Atlantic on study and teaching programmes in the 1950s and 1960s. Berman (1983) argues that the large grants and subventions that many European business schools received from the Marshall Plan, as well as from Ford and Carnegie, made the copying of American pedagogy and administration models inevitable.

¹⁵ Robert Aaron Gordon and James Edwin Howell, a pair of economists commissioned by the Ford Foundation, wrote the “Higher Education for Business” report. The Gordon-Howell report, as it became known, was one of two reports on business education published in 1959—the other being the Carnegie Foundation’s “The Education of American Businessmen: A Study of University-College Programs in Business Administration”, by Frank Pierson. The reports embodied the results of a three-year study of collegiate business education in the United States, which was undertaken at the request of both foundations.

According to Robert Locke (1989), there were three reasons why “post-war America was the innovator while Europe was rather the emulator” of the new paradigm in business and management studies. The first related to the rise of large US multi-product and multi-function companies that demanded a well-trained managerial elite with the skills necessary to manage multidivisional corporations (Locke, 1989, Engwall and Zamagni, 1998). In addition, the development of stockbroking and institutional investors (i.e. insurance companies and funds) called for new managerial skills and knowledge. Second, both World Wars during the first half of the twentieth century demanded and produced unusual managerial experiences and scientific knowledge that innovated management education. Third, the United States’ large political, economic, and cultural influence had an impact on European management education, especially in the Cold War era when the country’s main interest was in a strong Western European counterbalance to the Eastern Block (Locke, 1989, Maassen, 2006). From the 1980s onwards, other interest groups joined “American missionaries”. For example, the World Bank’s International Finance Corporation (IFC) arm encouraged business education in developing countries; Opus Dei supported Catholic institutions across the globe; and the European Union supported a number of business school developments such as CEIBS, the China European International Business School (Murray, 2004, McIntyre, 2005 #250).

Today, there are about 13,000 business and management schools worldwide (AACSB, 2011a), with major differences between the various types that makes effective generalization nearly impossible. Overall, the following differentiators can be found; these factors influenced the selection of case institutions in this empirical study and will be further discussed in the next section: (a) private versus public institutions, (b) research versus teaching-oriented schools, (c) stand-alone business schools versus university-based schools, (d) undergraduate versus post-graduate education, (e) large institutions versus small schools, and (f) internationally operating versus local institutions (Datar et al., 2010, Rhoades and Sporn, 2002). In addition, more and more so-called non-academic institutions such as commercial providers

and corporate universities have become important players in the management education landscape (Blass, 2005, AACSB, 2011a).

2.2.1. European Business School Models

This section discusses the origin of the different institutional models and the nature of business schools' main stakeholders, as well as internal and external drivers and barriers. Management education is not based on one uniform concept, but rather rests with a heterogeneous group within a diverse landscape of higher education institutions that can take different shapes and exist in different organisational settings (Wedlin, 2007). However, my research uses a matrix of four different institutional models that reflect the wide range of business schools in Europe, such as:

- Publicly funded, university-embedded
- Publicly funded, stand-alone
- Privately funded, university embedded
- Privately funded, stand-alone

These categories are commonly used in business school circles to distinguish between schools and institutional and resource autonomy, which created a belief that stand-alone and/or privately funded institutions respond faster than university-embedded and/or publicly funded schools to internal and external pressures (Thomas et al., 2014, Starkey and Madan, 2001, Rayment and Smith, 2010).

According to Djelic and Sahlin-Andersson (2006), business schools are often identified by their funding model and legal status (private or public) and their governance structure (university-embedded or stand-alone). Traditionally, European governments have been strongly involved in all aspects of their higher education systems (Henkel and Little, 1998, Maassen, 2006). However, recent studies highlight that in countries like Germany, Austria, Sweden, Denmark, and the Netherlands, state control has been reduced and new forms of governance have appeared in universities and business schools, such as private entities and foundation-based institutions (Frølich et al., 2012, Lorange, 2010). With increasing competition and market orientation,

public institutions required greater institutional and funding autonomy to implement new strategies, and to develop new programmes and cooperate with academic partners and industry and non-profit sectors. In reaction, higher education institutions formed external boards with greater decision-making power, while institutional committees have more of an advisory role (Müller-Böling et al., 1998). European business schools experience profound transformations internally by adopting more formalised organisational structures, emphasising the importance of leadership, a more hierarchical internal governance structure, and comprehensive processes and administrative structures for evaluating performance (Frølich et al., 2012, Canals, 2010, AACSB, 2011a). The current AACSB chair and President of IE University de Onzono (2011) sees a new trend in public universities, especially in highly regulated markets, where departments of business and management develop new hybrid institutions that are often linked to a non-profit foundation or other private body. These new institutions are often business schools that are created in order to have more autonomy in programme development, faculty hiring, and tuition fees (Maassen, 2006, Rayment and Smith, 2010). A variety of factors lead university-based business schools to change their institutions so as to better compete with stand-alone business schools, which generally enjoy greater autonomy and flexibility, but which often face other challenges by not being directly linked to a multidisciplinary university (Clark, 1998, Thomas et al., 2013a).

2.2.2. Management Education Between Faculty Driven versus Market Driven

Faculty influence on management education has increased over the past 50 years and is now considered as one of the greatest challenges in business school development (Khurana, 2010). Faculty members are highly involved in designing courses, programmes, and pedagogy, and they are largely autonomous in choosing research areas as well as channels of publication (de Onzono, 2011). Faculty with a strong scholarly reputation often have more freedom in defining their research focus according to their scholarly preferences, reputation-building strategies, economic interests, or political or

religious convictions (Hattie and Marsh, 1996). On the one hand, institutional management and leadership roles often become the domain of less (academically) reputable faculty; on the other hand, market dominance challenges business and management schools by requiring them to prioritize financial well-being, revenues, and surpluses. Institutions use their marketing and communication departments extensively to position themselves in the ever-increasing competitive and globalised environment (Coetzee, 2008, Pettigrew et al., 2014). In this context, Pettigrew et al. (2014) sees in business school accreditations and rankings vehicles to demonstrate success and differentiation from competitors. Administrators and professional staff at schools often manage accreditations and rankings and, in many cases, challenge the faculty dominance (Enders, 2014). As a result, collaborative dynamics between an institution's academic and professional staff are replaced by competitive dynamics (Gintis and Khurana, 2006).

In conclusion, faculty and market dominance are both present and common in today's business school world. The rise of business schools starting in the 1950s created a discrepancy between micro-level progress in management education and macro-level deterioration (Maak and Pless, 2006). By forcing business schools to accept certain interests over others, both approaches demonstrate clear limitations and create strong challenges in the development processes (Colby et al., 2011). Both strong faculty influence (rigour) as well as market dominance (relevance) create barriers in business school development that will be discussed more in-depth in the following chapters (Shapiro and Stefkovich, 2010, Shapiro et al., 2007).

2.2.3. Business School Stakeholders

The concept of stakeholder value has developed rapidly in business schools during the last few decades with the advent of globalisation and commercialisation of management education (Khurana, 2010, Vidaver-Cohen, 2007 #254), and is one of the dominant paradigms in this research study. The analyses of the interest of the different stakeholder groups is essential for schools when they develop future strategies and consider institutional change (Morsing and Schultz, 2006, Nohria and Khurana, 2010). It is therefore of

strategic importance to map all internal and external stakeholders and clearly outline their expectations (Carroll and Buchholtz, 2011, Starkey and Madan, 2001). Vidaver-Cohen (2013) lists the following internal and external business school stakeholders and their often-competing expectations:

Stakeholder Group	Expectations
Students	<ul style="list-style-type: none"> - Career advancement - Specialised business skills - Professional contacts - Procedural and financial support - High quality, accessible faculty
Alumni	<ul style="list-style-type: none"> - Networking opportunities - Service to the business community - Professional development opportunities - Preserving value of degree
Employers	<ul style="list-style-type: none"> - Competent, trustworthy graduates
Faculty	<ul style="list-style-type: none"> - Research time and resources - Professional development support - Achievement recognition and reward - Stimulating intellectual climate
Business community	<ul style="list-style-type: none"> - Service to the business community - Networking opportunities - Professional development programs
Parent university	<ul style="list-style-type: none"> - Prestigious, productive faculty - High performing students - Strong ties to business/academic communities - Strong financial performance - Competent leadership
Accreditation agencies	<ul style="list-style-type: none"> - Strong curriculum - Prestigious, productive faculty
Administrative peers	<ul style="list-style-type: none"> - Effective governance procedures - Competent Leadership
Scholarly peers	<ul style="list-style-type: none"> - Prestigious, productive faculty - Faculty professional service

Table 1: Business School Stakeholder Expectations

2.2.4. Drivers and Barriers in Business Schools

What are the different drivers for business school development and what barriers do schools face in their daily operation? More precisely, what drives public and private business schools to integrate ERS in their operations, and what are the barriers to this process? Arguably, a number of different drivers and barriers depend on national context, higher education frameworks, and individual settings at each institution. In order to list and assess drivers and barriers, it is important to distinguish between the different business school models that are of relevance in the study (see 2.1.2.). The matrix that I apply for my research differentiates schools between their legal and funding models (public versus private) and their institutional autonomy (stand-alone versus university embedded). Following the matrix, schools may also have different weighting of drivers and barriers that influence their strategic development. For example, publicly funded schools must adapt their programmes, research, and other activities to guidelines that are defined by state agencies and governments, while privately funded schools may have to adapt their portfolios following private stakeholder interests. Similar patterns can be seen in governance, where university-embedded business schools often depend on the central university administration, while stand-alone business schools may depend on external governing bodies such as foundations or chambers of commerce (Müller-Böling et al., 1998). Thomas et al. (2013a) identifies the tensions between academics and administrations as the strongest development barrier in business schools. However, business schools strongly rely on the overall mandate, legitimacy, belonging, and prestige they may derive from their internal and external stakeholders (Maak and Pless, 2006, Vidaver-Cohen, 2013, Morsing and Schultz, 2006). Overall, Walker et al. (2008) distinguish between the following **drivers**:

- Organisation-related pressure
- Regulatory compliance (accreditations, rankings, etc.)
- Customer demands
- Competition
- Societal pressure

Barriers:

- Costs
- Lack of training
- Lack of understanding and know-how
- Lack of commitment
- Lack of legitimacy and mandate from stakeholders
- External and internal regulations

2.2.5. Paradigms in Management Education

In this section, I will focus on the following four dominant paradigms in management education (de Onzono, 2011) that are also of larger relevance to the research aim and questions. Because of their important position in accreditations, these paradigms are shaping the pressure on business schools to remain in the highly competitive field of international management education (Dyllick, 2015, Pettigrew et al., 2014, Starkey and Tiratsoo, 2007, Vas and Lejeune, 2004, Wedlin, 2007).

Internationalisation: The growing internationalisation of European business schools began in the 1950s and is linked to the increasing globalisation of the corporate world, which on one side is driving economic growth while on the other side creates social injustice (Gintis and Khurana, 2006). Students, faculty, and researchers are increasingly mobile, while recruiters and future employers demand well-trained graduates with strong international experience and mind-sets in order to work in the globalised world (Vas and Lejeune 2004). Without question, comprehensive reforms such as the Bologna Process and the Lisbon Treaty have brought deep changes to European higher education and to business and management institutions in particular (Neave and Vught, 1991, Alvesson, 2013). The Erasmus Programme in particular encourages large numbers of students to study abroad and supports faculty and research mobility on a large scale. In addition, business and management schools compete for the best students on a global level. For example, in the United Kingdom, over two-thirds of the current postgraduate student population is coming from abroad (OECD,

2015b). The number of international degree-seeking students that are studying in one of the Master, MBA, or Doctoral programmes in European business and management schools is developing fast, and the trend is likely to continue to grow (OECD, 2015b). However, international competition has forced business schools to go beyond forming international student exchange networks; they are also developing dual and joint degree programmes with international partners, and engaging in research cooperation and strategic alliances with international partner institutions (de Onzono, 2011). The development of know-how and building a competitive and comparative advantage are the main drivers in business and management schools' internationalisation strategies, which is often linked to international accreditations and rankings (Wedlin, 2007). Starkey and Tiratsoo (2007) found that business schools today are expected to be more customer-focused, entrepreneurial, and self-reliant, but most importantly, today's business schools are required to be more global than in the past. De Onzono (2011) highlights the increasingly global market that demands students who are prepared to implement global strategy and who possess international experiences, cultural awareness, and the ability to work in cross-cultural environments. AACSB's Andrew J. Policano (AACSB, 2011a) argues that through significant curricular change and the development of collaborations across the globe, business schools must create an educational experience that develops global leaders who can react swiftly and effectively to far-reaching shifts in international economic dynamics.

Economy: Many European countries are struggling in the current economic crisis. High unemployment rates and low or negative growth rates are leading to substantial budget cuts in both the public and private sectors (OECD, 2015b). State budgets have been cut to reduce national debts that many countries are facing, and in return, the allocation of financial resources to the higher education sector has declined over the past years and fundamentally challenges many schools. Essentially, universities as well as business and management schools have to work with lower budgets and find other funding sources to balance the cuts in public funding (Enders, 2014). As fiscal consolidation and high private sector indebtedness undermine domestic

demand, the unemployment rate rose in 2016 in Europe to over 28% before stabilising (OECD, 2015b). Inflation and wage pressures will remain subdued. In this context, business and management education will continue to face strong economic challenges within a highly competitive environment and based on their funding models (Rasche and Gilbert, 2015).

Rankings and accreditations: Despite strong criticism, accreditations as well as national and international rankings continue to gain in relevance and influence (Naidoo and Pringle, 2014). As an assessment and marketing tool, international rankings such as the Financial Times European Business School Ranking receive substantial attention from internal and external stakeholders (Hedmo et al., 2001). According to the Graduate Management Admissions Council (Arbaugh, 2016), prospective students often use rankings to inform their decision as to which school they will apply to, while employers use rankings to identify schools from which they want to hire students (Petriglieri, 2015). According to Wendlin (2007), rankings influence faculty in their career paths and choice of future employers. In addition, ministries of higher education and national accreditations consult rankings when they assess quality, award research grants, and distribute financial support, and when they define academic and institutional excellence (Thomas et al., 2014). Rankings also support schools in their differentiation from direct competitors, and they are used extensively for branding and marketing purposes (Naidoo et al., 2014).

Similar to rankings, business school accreditation agencies such as the European Foundation of Management Development (EFMD) are strong drivers for development that influence the transformation process in business and management education (Bryant, 2013). Decisions on governance, programme portfolio and design, faculty composition, internationalisation, and overall strategy are often linked to standards provided by accreditations. While accreditations provide guidance, business schools also use them extensively for positioning in the global market (Cornuel et al., 2009). This study will examine the role of accreditations further, as it is one of the core aspects of the research aim and questions.

New technologies: Distant learning and new teaching and learning technologies are on the rise. Together with Massive Open Online Courses (MOOCS), they are influencing the educational landscape, and business and management education is at the forefront of innovative teaching and learning modules (Cullen, 2015). The availability of relatively cheap computers and software together with new technological developments, such as smartphones, tablet computers, and online learning platforms, are having an increasing impact on how students study, how professors conduct research and teaching, and how institutions are being managed. When MOOCs first appeared as a form of collaborative online learning tool, people interacted and learned from each other by exchanging different perspectives, views, and ideas (Petriglieri, 2015). However, MOOCs moved into universities and now help develop more traditional courses. Many of the MOOCs are shorter versions of traditional courses that are often delivered by highly qualified professors and academics whose research and academic expertise underpin the material. A growing number of universities and business schools alike are integrating MOOC courses into their current curriculum, and it is widely anticipated that this development will continue to expand and certainly change higher education at large (Shirky, 2013).

2.3. Development and Context of Transnational Accreditations

Business school accreditations, and EQUIS in particular, are the guiding focus of this empirical study. While the main research question investigates business schools' responses to the EQUIS ERS standards, the first underpinning question investigates how EQUIS developed the new ERS standards and criteria.

Business school accreditation has its roots in the United States (Khurana et al., 2005) and requires further explanation here in order to better understand the origins of European sister organisations. Since the early twentieth century, accreditation has been the main monitoring regulator of North American business and management schools, with predefined quality standards in various academic areas and being administered by independent, non-governmental organisations (Locke, 1989, Porter and McKibbin, 1988). The

most important and oldest American accreditation body is the Association for the Advancement of Collegiate Schools of Business (AACSB), which has been accrediting business schools for over 100 years. Another important American accreditation organisation is the Accreditation Council for Business Schools and Programs (ACBSP).

The rise of accreditations and assessments during the 1980s can be seen as part of a larger societal trend. In a world that is increasingly characterized by variations and differences, accreditations are one way to bridge those differences and facilitate the flow of information (Thomas and Cornuel, 2012). Additionally, assessment criteria and audits are considered as a reaction to the evolving risk society (Hood, 2004), with its increasing demand for transparency and accountability. These appear in parallel with increasing access to higher education through globalisation and mobility (Power, 1999). Moreover, the emergence of new regulations has been further analysed as an aspect of rationalization in higher education that is increasingly challenged by growing competition and deregulation (Moran, 2002). Other studies suggest that the growing importance of accreditations could rather be described as a fashion in the search for additional certifications, standardization, and quality assurance systems, all in order to achieve differentiation in competitive, globalised markets (Meyer, 1994, Hood et al., 1999, Engwall and Morgan, 2002). However, the pressure in higher education—resulting from internationalisation as well as the intensification of transnational competition—led to an “explosion” of regulations that is challenging national accreditation systems (Djelic and Sahlin-Andersson, 2006).

Picking up on demands for more transparency as well as comparability and market information, accreditations have been developed as a response to market pressure that is coming not only from consumer groups, but also from competitive forces in the business school accreditation market (Hedmo et al., 2001, Beehler and Luethge, 2013). In this context, New Public Management (NPM) has created the environment and the imperatives for business school accreditation.

2.3.1. *New Public Management: Pathway to Accreditations*

The 1980s and 1990s were marked by profound changes in the nature of public administration within the OECD countries (Röpke, 1998). Despite some differences in the natures of the changes—depending on the context of each country—there have been enough commonalities to lead to the development of the so-called *New Public Management* ((Hood, 1991, Gibbons et al., 1994). NPM is essentially the replacement of the public sector bureaucracy, with presumed market efficiency and entrepreneurialism that has been critically reviewed and a wide range of scholarly work produced on this subject matter (Bourdieu and Nice, 1980, Greenwood et al., 2002, Hood, 1991, Meyer, 1994). With new developments that came mainly from the private sector, including cost control, autonomy, transparency, accountability, and decentralization, as well as market mechanism and the creation of performance indicators, Djelic and Sahlin-Andersson (2006) argue that the NPM effect partly led to the development of business school accreditations. The new developments essentially established private sector managerial standards in the public sector, which needed a new form of quality audit, control, and accreditation.

Michael Power (2000) explains the cause or “audit explosion” through: (a) the rise of New Public Management, (b) increased demands for accountability and transparency, and (c) the rise of quality assurance models such as audits and accreditations (Power, 2000). Other scholars suggest that expanded monitoring and assessment activities are associated with a general decline in trust (Hood et al., 1999, Moran, 2002). While auditing and accreditation produce transparency, Djelic and Sahlin-Andersson (2006) find little evidence that they contribute to greater trust between schools and their stakeholders. They found rather the opposite and argue that NPM has created an upward spiral building an ever-greater demand for monitoring (Djelic and Sahlin-Andersson, 2006).

Almost simultaneous with the expansion of NPM in the 1980s and 1990s, a number of new business and management schools were created and existing ones expanded on a large scale (Blass, 2005). The new development of

NPM, as well as the growing management education sector, led to increasing demand for assessment, evaluations, standardization, and accreditations (Muff et al., 2013, Beehler and Luethge, 2013). Various types of accreditations began to be carried out by professional organisations on national and international levels, as well as by states, ministries, governments, and external expert groups (Hood, 2004). This development is not unique to management education, as classification systems, standards, and rules have increased in numbers and have been developed throughout the higher education landscape (Locke, 1989, Maassen, 2006). Evaluations, audits, assessments, comparisons, and rankings have expanded and are the dominating reality in the daily operation of today's business and management schools.

2.3.2. Business School Accreditations

In order to understand and measure the impact of accreditation bodies, it is necessary to assess the environment in which accreditation agencies are operating. It is important to understand their governance structure and the relations with their peers, most importantly, with the business and management schools that are at the centre of this research thesis. The central research question, "How do European business schools respond to the ERS standards in EQUIS accreditation?" will be directly linked to the question, "How are accreditation body and business schools interrelated with each other?" The development of accreditation standards is an additional part of my research and must be contextualised with the origins and environment of accreditation agencies such as the EFMD. Literature and research on development and change processes within management organisations is rich and diverse; however, publications and scholarly research on the impact of international business school accreditations is limited. This can mainly be explained with the only recent development of accreditations, but also the political sensitivity of this area (Lowrie and Willmott, 2009), which makes schools and accreditation bodies hesitant to cooperate with researcher (Rasche and Gilbert, 2015).

While in some cases accreditation is driven by those that are being assessed, such as management education institutions (Hood, 2004), in other cases, those that are performing the accreditation (professional organisations, governments, etc.) are the driving force (Thomas et al., 2013a, AACSB, 2011b). It is therefore necessary to differentiate between mandatory accreditations that are often conducted on a national platform versus voluntary accreditations, which in most cases are provided by transnational organisations (Hedmo et al., 2001). In the context of NPM, management education witnessed an expansion of regulatory activities that were often interrelated between various providers of accreditation and management education, which shows a simultaneous pattern of collaboration and competition (Hood et al., 1999, Hommel et al., 2012). Thus, it can be said that regulatory actors such as accreditation bodies have a strong influence on the transformation of management education (Hedmo et al., 2001). General distinctions in correlating accreditation activities are being made between assessment (e.g. evaluation and audits) and rule-setting activities (e.g. standardization, recommendations, guidelines) (Maassen, 2006). In the book *The Audit Society*, Michael Power (1999) identified four features that accreditation and assessment activities have in common: They are (1) intrinsic to rule-setting activities, which set (2) certain standards or a recognised set of assessment criteria, which are (3) regulating impact on practice, and are (4) carried out with the intention to affect and to regulate the assessed activities.

The rise of accreditations and assessment during the 1980s can be seen as part of a larger societal trend. In a world that is increasingly characterized by variations and differences, accreditations are one way to bridge those differences and facilitate the flow of information (Thomas and Cornuel, 2012). Quality audits are considered as a reaction to the evolving risk society (Hood, 2004), with its increasing demand for transparency and accountability (Locke, 1989, Khurana, 2010). These appear in parallel with growing access to higher education through globalisation and mobility (Power, 1999). Moreover, the emergence of accreditations has been further analysed as an aspect of rationalization in higher education that is increasingly challenged by growing

competition and deregulation (Moran, 2002). In response, management scholars suggest that the growing importance of accreditations could be rather described as a fashion and search for additional certifications, standardization, and quality assurance systems in order to achieve differentiation in competitive, globalised markets (Meyer, 1994, Hood et al., 1999, Engwall and Morgan, 2002).

The increasing pressure in management education, resulting from globalisation and internationalisation as well as the intensification of transnational competition, led to an “explosion” of regulations and accreditations (Djelic and Sahlin-Andersson, 2006). International business and management school accreditations now describe a new method of assessment. With a transnational identity, these accreditations are mostly voluntary and include large elements of self-assessment and self-regulation (Bryant, 2013). The nature of international business school accreditations has also changed with the transformation of the four dimensions of regulatory developments: (a) who is regulating, (b) the mode of regulations, (c) the nature of the rules, and (d) the compliance mechanism (Djelic and Sahlin-Andersson, 2006). The regulatees (business schools) participate in the regulating activities (peer assessments), while they decide independently whether to participate in the regulatory activities or not (Power, 2000, Thomas et al., 2014). Moreover, international accreditations are often not directly linked to systems of sanctions or resource allocation, and neither the regulators nor the regulatees are hierarchically coupled (Thomas et al., 2013a, Rayment and Smith, 2010). In consequence, these accreditations are very different from those of the national accreditation systems, which provided the main regulation and recognition in management education (de Onzono, 2011) before international accreditations were established (Thomas et al., 2013a). The development of international accreditations lead to changes in the modes of regulations and compliance mechanisms (Djelic and Sahlin-Andersson, 2006).

As already described, international business school accreditations are voluntary, meaning that participating schools choose to be accredited with no

direct pressure originating from state or governmental agencies. Voluntary accreditation standards are soft rules and processes with complex procedures of self-presentation, self-reporting, and self-monitoring (Power, 2000). The accreditation criteria are framed by science, expertise, and experience, but are described in general terms (Morsing and Schultz, 2006, Starkey and Madan, 2001). Thus, they are open to interpretation, translation, editing, and negotiation by both those that are being regulated and the regulators (Friga et al., 2003). The accreditation incentives include quality improvements as well as building reputation, trust, and legitimacy (Bryant, 2013).

2.3.3. Impact and Responses to Business School Accreditations

There is little information to be found in management literature that provides evidence on how business schools measures the impact of accreditations. Most literature focuses on AACSB accreditation, and significantly less research has been produced on EQUIS. In this context, SDA Bocconi School of Management in Milan, Italy represents an exception. The school expressed openly that while it experienced positive external effects in terms of visibility and image from obtaining the accreditation label, “the internal effects were more important” (Lindstrom and Word, 2007). Bocconi’s management also saw the peer-review process as a measure to reinforce strategies and to benchmark development issues towards other accredited schools (Borgonovi and Brusoni, 2000). A different approach can be found in Prøitz et al. (2004) paper “Accreditation, Standards and Diversity”, which is based on an analysis of several EQUIS peer review reports. In this paper, the authors see an initial limitation in business schools’ responses, which results from an accreditation process where recommendations are rather abstract and general, often lacking clarity on how to implement them. Further on, the authors observe an impact of accreditation systems that links directly to quality improvement in management education, but also detect limitations due to accountability and transparency issues in accreditation provided by peer-review teams (Prøitz et al., 2004, Frølich et al., 2012). Along the same line, (Harvey, 2004) argues that accreditations are incompatible with the improvement of organisational effectiveness, as it overloads higher education institutions with the production of public relations documents.

In the context of AACSB, a number of insightful studies have evaluated the impact of this accreditation and how schools respond to the auditing process. One study was published by Roller et al. (2003), where the authors discuss the benefits of three leading US accreditations—AACSB, ACBSP and IACBE—by analysing their impact with regard to programme goals, competitiveness, and student learning. The results show significant qualitative and quantitative differences across the categories in response to the individual accreditation demands (Roller et al., 2003). In addition, Zoffer (1987) sees the AACSB accreditation process as generally for the benefit of institutions through self-assessment, accountability, the establishment of a legal standard, and competition. However, the study finds that AACSB needs to address more the value of student gains in knowledge and skills, as well as the measurement of quality rather than quantity, to have stronger impact on the schools' developments (Zoffer, 1987). In Lawrence et al. (2009) book on "Institutional Work", Trank and Washington (2009) offer insight into business schools' responses to AACSB accreditation. In their research, they assessed AACSB's institutional work with regards to maintaining the legitimacy and its own role as an organisation that gives legitimatisation in the management education field in which competing sources of power have emerged. On one side, they find AACSB accredited schools often recruiting students and new faculty members exclusively from other AACSB accredited schools and they observe similar patterns when it comes to career and placement opportunities. On the other side, they find schools with ranking and status advantages may not display AACSB accreditation because it does not create any additional status (i.e. AACSB is not placed on either Harvard Business School or Wharton's websites). Therefore, Trank and Washington (2009) see AACSB only as a meaningful resource for schools that have limited access to status, ranking, or other types of public exposure.

In an equally thought-provoking essay, Julian and Ofori-Dankwa (2006) suggest that the AACSB accreditation process may hinder business schools' ability to adapt to changing environments, to which some authors respond by showing the benefits and values of AACSB (Zammuto, 2008, Romero, 2008).

Other critical scholars are Lowrie and Willmott (2009) who find a vacuum in AACSB accreditation standards that creates a general accreditation “sickness” within business education institutions, but also Levernier et al. (1992) see the effects of AACSB accreditation on academic salaries. In their empirical research, the authors find a correlation between higher faculty salaries in AACSB accredited institutions as compared to those without accreditation. However, Levernier et al. (1992) warn faculty in non-accredited schools to their administration to seek accreditation, as AACSB places a strong emphasis on academic research. A more research-oriented environment would create strong pressure on non-research-oriented faculty to change, and it often leads to new hires of research faculty that receive higher salaries over their non-research-oriented colleagues. Thus, existing faculty would not benefit from accreditation as they might expect (Levernier et al., 1992, White et al., 2009). A different but also critical study emerged through Hedmo (2004) doctoral thesis, with a focus on European accreditation of management education. The thesis shows how EQUIS emerged in a situation of competition and cooperation between regulators and regulatees and draws attention to the active and influential role and impact of accreditations in transnational rule-making processes (Hedmo, 2004, Hedmo et al., 2001). However, Bailey and Dangerfield (2000) point out that institutions may experience the accreditation process and its specific benefits differently, depending on their status, management strength, and structure. In addition, the impact of the different accreditation systems may be influenced by factors such as timing, relation to other accreditations, and institutional development activities undertaken by the business school (Pupius and Brusoni, 2000). In contrast, Thomas and Urgel (2007)¹⁶ see the value added by accreditation systems such as EQUIS within three interrelated areas:

1. Assessment of the quality of the school based on standardized criteria
2. Enhanced brand recognition from receiving a distinctive accreditation label
3. Contributions to the actual improvement of the school

¹⁶ Julio Urgel was the EQUIS director when this article was published.

In essence, the authors suggest that some values are unique to gaining international accreditation (EQUIS) and are therefore unobtainable through other means (Thomas and Urgel, 2007, Thomas and Cornuel, 2012, Thomas et al., 2013b). A similar affirmative paper, reflecting on the impact of AACSB accreditation in the business and management education field, was published in the same year by Thomas and Trapnell (2007).¹⁷ The authors describe AACSB accreditation as a global brand that delivers external validation of high-quality business schools, and thus provides the schools key internal and external stakeholders with decisive criterion for selecting institutions with which to associate (Thomas and Trapnell, 2007). This analysis was also supported by a recent study from Solomon et al. (2017). In this research essay, the authors see AACSB's peer-driven accreditation process as particularly important when evaluating the accreditation's impact on the development of management education. Solomon et al. (2017) also give an important role and responsibility to the voluntary mentor that is normally a Dean or Associate Dean originating from an AACSB accredited a peer school, which guides the institution during the initial accreditation phase.

A small number of empirical studies and publications have been produced recently by a group of researchers around Christophe Lejeune, investigating the case of business school accreditations and more particularly of EQUIS accreditation. Lejeune and Vas (2014) analyse in their paper "Institutional Pressure as a Trigger for Organizational Identity Change" the case of accreditation failure within seven European business schools. In this study, the authors suggest that accreditation standards represent an important institutional influence in an increasingly competitive European business school environment. They see in EQUIS a label that provides legitimacy and identity to the schools, and the case study suggests that accreditation standards influence the schools' organisational identities through changes in resources and activities (Lejeune and Vas, 2014). However, the study also

¹⁷ Jerry Trapnell was AACSB's Chief Accreditation chief accreditation officer when this article was published.

finds conflicting institutional logics, leading to different identity understandings within the schools. The authors see a risk that the differentiation effect progressively decreases with a constant increase in the number of accredited schools. In a previous study, Lejeune and Vas (2009) analyse the impact of accreditation by studying organisational culture and effectiveness in business schools. This empirical research suggests that EQUIS accreditation may not lead to improvements in student satisfaction with academic programmes. The study argues that the schools' management emphasized more the impact of accreditation on the attractiveness and brand of their school as an indicator of improved performance, rather than students' satisfaction with their curricula (Friga et al., 2003, Beehler and Luethge, 2013). Further, the dimensions of effectiveness that seem most improved through accreditation are linked to schools' resources, and to qualified faculty and academic partners in particular (Cornuel et al., 2009). Lejeune and Vas further suggest that the EQUIS audit process plays a major role in cultural changes as well as in the effectiveness improvement of the schools. However, as EQUIS expects schools to become more international, it seems unsurprising that the schools are developing a corporate culture through accreditation, which also engenders increased competition in a larger field (Vas and Lejeune, 2004, Cornuel et al., 2009, Lejeune, 2011).

2.3.4. EFMD – The European Foundation of Management Development

The European Foundation of Management Development (EFMD) was founded in 1971 in Brussels, Belgium as a non-profit membership and network association that evolved from a merger between the International University Contact of Management Education (IUC) and the European Association of Management Training Centres (EAMTC) (EFMD, 1996). The organisation has today over 800 member institutions worldwide that represent business schools, corporates, public services, and consultancies. However, the vast majority of members are business and management schools (EFMD, 1996). EFMD's headquarter is in Brussels, Belgium, with regional offices in Hong Kong; Miami, US; and Geneva, Switzerland. Today, EFMD is the most important European business school accreditation agency and one of the largest management network organisations in the world (Thomas et al.,

2013c). The institutional accreditation EQUIS (European Quality Improvement System) is the organisation's flagship programme, but EFMD also provides a programme accreditation called EPAS.

Management literature and research has widely discussed how accreditation bodies can ensure an impact on business schools' quality, while balancing their mission between membership interests and the enhancement of (accreditation) standards (Rasche and Gilbert, 2015, Starkey and Tiratsoo, 2007, Vas and Lejeune, 2004). Understanding how EQUIS (regulator) and business schools (regulatees) interrelate and affect each other is key when it comes to explaining how the EQUIS accreditation standards have been developed. The reciprocal relations explain the interwoven processes and expansion of regulations, framed by voluntary agreements between regulators and regulatees (Moran, 2002). In this context, it is important to examine the multilevel governance concept of EQUIS, which captures the interrelatedness of regulatory actors and those that are regulated (Majone, 2002). Following Bourdieu's notion of the organisational field, it can be said that there is a common belief in the importance of management education by various actors (Locke, 1989, Porter and McKibbin, 1988); however, at the same time, those actors disagree on how to define, assess, and develop the activities (Bourdieu and Nice, 1980). It is necessary to point out the complexity of interrelations, political struggles, and collaborations when explaining the correlation between these different actors in management education (de Onzono, 2011, Majone, 2002). The intertwined management education providers, accreditations, and monitoring bodies develop in relation to each other and, as a result, the entire field has become a "regulatory knot" (Hedmo et al., 2001).

EFMD Governance

When assessing interactions between business schools and EFMD, intertwined activities reveal a highly centralized and stratified pattern (Hood et al., 1999). Representatives of schools (often Deans) appear as central actors in EFMD's governance bodies, and their participation is crucial in the development of transnational regulatory systems (Hedmo et al., 2001, Cornuel et al., 2009). The accreditation bodies need to have the most

important business schools represented in their portfolio in order to have legitimacy and impact, while the schools depend equally on the accreditations to build their reputation and market share (Djelic and Sahlin-Andersson, 2006). The accreditation guidelines are largely adopted from the most prestigious schools and have become models not only to be copied by other schools, but also for defining accreditations criteria (Hedmo et al., 2001, Thomas et al., 2013c). To better understand the fragmented governance structure of accreditation bodies (Brunsson and Jacobsson, 2000), it is important to note their key characteristics: (a) voluntary, and (b) operated by professional and transnational organisations that (c) build on experience and expertise. Because of the absence of a regulatory centre and only loose couplings between accreditations and sanctions, EFMD follows the logic of a market governance system rather than a hierarchical system (Brunsson and Jacobsson, 2000). EFMD does not belong to any regulatory body that controls accreditations, but rather reports only to its board, where decisions are made on all aspects of the organisation (23 members) and the general assembly, which currently consists of 817 member schools and organisations (EFMD, 2105).

EQUIS Accreditation

EQUIS emerged in the late 1980s in Europe when EFMD and other organisations tried to establish quality control in European management education (Gumport, 2000). National associations, such as the Associazione per la Formazione alla Direzione Aziendale (ASFOR) in Italy, the Chapitre des Grandes Ecoles in France, and the Asociacion Espanola de Representantes de Escuelas de Direccione de Empresas in Spain, started to accredit MBA programmes in particular at the national and regional levels. In addition, AMBA (the Association of MBAs) traditionally accredited schools in the United Kingdom, but started in the 1980s to offer accreditation to international MBA programmes.

EFMD has claimed over the past 40 years that one of its primary tasks is to “raise the quality of its members’ management development activities” (EFMD, 2016b). In the 1980s and 1990s, when the number of business and

management schools increased in Europe, EFMD struggled with the issues of quality and accreditation standards. In 1986, the organisation developed a Strategic Audit Unit that sought to build quality awareness and help member schools in their strategic development on a consulting basis through expert peer team visits (EFMD, 1996). EFMD also started to cooperate with various national accreditation associations in and outside Europe to share experience and benchmarks on evaluation procedures and audit standards. In 1995, the European Quality Link EQUAL (an alliance of international networks and accreditation bodies in business and management education)¹⁸ was formed to identify and define international quality assurance standards in management education. Previously, in 1994, a number of European business schools had pointed out to EFMD the importance of developing a common European accreditation system for management education. This demand was greeted with scepticism as to what would represent a uniform quality evaluation system within the fragmented European landscape of management education (Thomas et al., 2013c). What persuaded EFMD to develop a European accreditation system was the discovery that AACSB was planning to export its accreditation model to Europe. By then, EFMD was urged by its members to react to the AACSB strategy and “defend and promote European values” (Thomas et al., 2013c). Accordingly, and together with national accreditation organisations within EQUAL, EFMD developed between 1995-1997 the European Quality Improvement System (EQUIS), the first transnational accreditation in European management education. Initially, the intention was to complement the existing national accreditation systems, but EQUIS quickly became an autonomous accreditation on an international level by accrediting during the first three years a group of 18 pioneering European schools (see Appendix 1: Pioneering EQUIS Schools), while the first non-European school was accredited in 1999 (HEC Montreal). The first accredited institutions, considered as some of the leading European business schools, had the

¹⁸ EQUAL is a network of national business school associations, networks, and interest groups. EFMD is a member of EQUAL and provides infrastructure as well as the secretariat to the organisation. Available from: <http://equal.network/> [Accessed 18/12/2016].

possibility to test and refine the standards of EQUIS, but also to give immediate credibility and benchmarks to the system. Today, there are a total of 146 EQUIS-accredited schools across 39 countries on all continents (EFMD, 2016b).

AACSB International - Association to Advance Collegiate Schools of Business

Although AACSB is not the subject of this thesis, the organisation should be introduced, given its relevance as a competitor to EQUIS/EFMD and its impact and importance in management education (Friga et al., 2003). In 1916, 17 leading American colleges and universities founded AACSB¹⁹ (see Appendix 2: AACSB Founding Institutions). AACSB International serves colleges and universities in management education and claims to be the leading accrediting agency in business administration and accounting worldwide, with 739 business schools accredited in 48 different countries.²⁰ It is a non-profit organisation and the world's largest network for business schools, with 1,200 members in 78 countries, including institutions of higher education as well as corporate and non-profit organisations.²¹ AACSB has its headquarters in Tampa, US, and regional offices in Singapore and Amsterdam.

As described earlier, business schools (and accreditation) in the United States were strongly criticized during the 1950s by the publication of two highly influential reports commissioned by the Carnegie and Ford Foundations (Berman, 1983). In consequence, accreditation helped US business schools transform into more rigorous academic institutions; thus, AACSB became an important tool for both development and distinguishing different quality levels. With the increasing quality in business schools during the 1950s and 1960s, AACSB built its reputation and relevance, which was reflected in the rapidly

¹⁹ At that time named the Association of Collegiate Schools of Business, or ACSB.

²⁰ Available from: <http://www.aacsb.edu/membership> [Accessed 8/3/2017].

²¹ Available from: <http://www.aacsb.edu/membership> [Accessed 8/3/2017].

increasing numbers of memberships and accreditations in the United States (Flesher, 2007). One of the primary missions of AACSB International is institutional accreditation, covering all areas of a business school from programmes, faculty, and research to governance and administration. The accreditation process starts with an institutional self-evaluation process, wherein a school assesses its own accomplishments relative to its stated mission and the accreditation criteria (AACSB, 2015). AACSB International accreditation also requires a peer review, during which external analysts (mainly Deans from accredited schools) examine and evaluate the school's education programmes, curriculum, and faculty, as well as its assessment systems and plans for growth and improvement.

AACSB and EFMD: Between Collaboration and Competition

When both accreditations started to operate internationally in markets beyond Europe and North America, respectively, AACSB and EQUIS began to compete directly with one another. Today, many business and management schools across the world have acquired both accreditations. In order to foster a regional presence, both AACSB and EFMD have recently opened branch offices in Asia (EFMD in Hong Kong, and AACSB in Singapore). EFMD also opened an office in Miami, US, while AACSB opened an office in Amsterdam (EFMD, 2016b, International, 2015). However, competition between the two accreditations agencies is also combined with a sense of cooperation, which led the two organisations to establish a strategic alliance by developing the Global Foundation of Management Education (GFME) (Beehler and Luethge, 2013). AACSB and EFMD benefit from collaboration by quickly developing brand recognition and impact beyond their home markets (the United States and Europe, respectively), especially in Asia. GFME also acts as a platform for both organisations to collaborate jointly with responsible management organisations and think tanks, such as the Globally Responsible Leadership Initiative (GRLI) and the UN Principles in Responsible Management Education (PRME). Collaboration and competition between the accreditation agencies are important components that have shaped the development process of management education globally (Djelic and Sahlin-Andersson, 2006). The interplay among these regulatory actors has also helped management

education establish a reputation and acceptance in the academic arena of higher education (Lorange, 2008, Hood et al., 1999).

2.3.5. Rankings

Even though rankings are not a focal point of my research, it is necessary to discuss them in the literature review as they are immediately linked to accreditations. Rankings also create similar patterns of self-regulatory and voluntary assessments, such as international accreditations. While higher education is under reform, confronted with an increasing desire to regulate, monitor, and control the production of knowledge (Alvesson, 2013), business schools in particular have been on the forefront of mainly media- and government-produced ranking lists and league tables (Maassen, 2006). Historically, these rankings did not play an important role in European management education until the end of the twentieth century. The concept of markets, where students, companies, other interest groups, and stakeholders could place demands and put pressure on business schools, was not established (Gioia and Corley, 2002) when the founder of the Business Week ranking wrote:

...I felt there was no market place, really, to make the schools to even pay attention to demands... So what I thought was this, one thing a ranking would do is to create a market where none had existed. Create a market where schools could be rewarded and punished for failing to be responsive to their two prime constituents [students and cooperation] (1998).

Arguably, rankings helped create a notion of international markets for the management education industry (Hedmo et al., 2001). However, despite the common belief that “business schools are forced into the ranking game” (Friga et al., 2003), it was mainly the European schools that searched in the late 1990s for a classification that would help them distinguish themselves better from their American competitors (Hedmo et al., 2001). The latter were already well-established in existing American business school rankings (Thomas et al., 2013a). In 1998 especially, the *Financial Times* was under pressure from some of the best European business schools to define and diffuse a template of an international business school and to create an international ranking that

would feature the leading management schools outside the United States (Thomas and Bradshaw, 2007). Despite an intense critical debate about rankings within management education circles, these rankings are highly influential, accepted, and widely diffused. International rankings today are one of the most important drivers of business school agendas (Wedlin, 2007), and their interrelations with and dependencies on accreditations make it necessary to look more closely at them in the context of this thesis. There is a strong interdependency between management education, rankings, and accreditations, since having EQUIS or AACSB accreditation is one of the mandatory requirements to enter the Financial Times Business School Ranking (Times, 2016).

Similar to accreditations, also rankings have their share in business schools narrow-minded approach to responsible management education (Khurana, 2010, Adler and Harzing, 2009). However, they also help play an important role in driving the process and acting as a change agent (Lowrie and Willmott, 2009). Therefore, rankings could play an important role in the development of ERS in management education. Evidently, the only ranking scheme that reflected on responsible management education was the Beyond Grey Pinstripes Project, which started in 1998 and was conducted by the Aspen Institute. It was discontinued in 2013 due to a lack of interest and support from the business schools.²² Through a biennial survey, the ranking assessed full-time MBA programmes on a self-declaration of institutional support, coursework, and faculty research. The Financial Times Business School Ranking, the most influential ranking in European management education (AACSB, 2011b), had one link to “CSR, Ethics, and Environment” in the Master in Management programmes ranking²³ in 2013, but did not continue with this assessment in the following years. Until today, ERS has no prominent role in any business school ranking such as Financial Times, US

²² Aspen Institute website. Available from: <http://www.aspeninstitute.org/policy-work/business-society/beyond-grey-pinstripes-mba-survey> [Accessed 8/3/2017].

²³ FT website. Available from: <http://rankings.ft.com/businessschoolrankings/masters-in-management-2013> [Accessed 8/3/2017].

News and World Report²⁴, Economist, Times Higher Education, Bloomberg, or QS rankings (Rynes and Shapiro, 2005).

2.4. Conclusion

In conclusion of the literature review, business schools and accreditation link well to the purpose of this study. Literature on accreditation and responsible management education indicates the growing importance of the subject and the question how accreditation influences responsible management education becomes an important aspect in the debate. Datar et al. (2010) emphasise the need to develop business students with attention to the values, attitudes, and beliefs that inform the worldviews and professional identities of managers as well as shape the students' capability to build judgment in messy and unstructured situations. Hommel and Thomas (2014) refer to the accountability of managers for their actions and decisions and the need for greater emphasis on ethical and moral challenges. Bieger (2011) calls for an integrative, interdisciplinary, and trans-disciplinary teaching approach with a systemic view on society, economy, and management whilst envisioning graduates that can handle complex questions and act in a responsible manner. Despite such strong advocacy, it seems likely that the mainstream integration of ERS will not happen without further challenges (Samuelson, 2011; Thomas et al., 2014).

Following the literature review that is setting the frame for this study, business schools will need to care about their own institutional identity and integrity. Losada et al. (2011) argue that for business schools to make a social contribution and educate responsible executives, the entire institution—beyond the curriculum—should be involved. Responsible leadership is not only taught in class, but also found in the daily practices of business schools.

²⁴ US News. Available from: <http://grad-schools.usnews.rankingsandreviews.com/best-graduate-schools/top-business-schools> [Accessed 22/2/2016].

Business schools must evaluate how they translate values, how they practice social responsibility themselves, how they enact the transformation that they wish to see in society, and how they manage their own affairs in a sustainable way. Badelt et al. (2011) concurs, regarding the social responsibility of business schools as an important factor to consider, while Bieger (2011) connects this imperative with faculty development, institutional culture, research, and programme innovations. Morsing and Rovira (2011) further emphasise that the values integration practices of business schools has the potential to influence how socio-economic activity is conducted over generations.

Following this literature review, it can be said that research on international accreditations in management education is limited, and even fewer publications and studies can be found that investigates the question “how management schools are actually responding to accreditations”. However, it can be summarised that the existing scholarly work on international accreditations finds opposing approaches when discussing the relevance and impact of accreditations and the business schools’ responses to the accreditation standards. We find positive research analyses of accreditations impact on business school developments, but also see critical responses when evaluating their effects and limitation. While some scholars demonstrate that accreditations improved business schools’ quality, others indicate that they also are barriers to change through their bureaucratic oversight and pressures to make business schools the same. Therefore, accreditation standards contribute to homogeneous business school models (Thomas et al., 2013c). It can be concluded that more scholarly research has been conducted in the context of AACSB accreditation as compared to EQUIS. This could be explained through AACSB’s longer existence, but also due to a broader data provision and accessibility provided by AACSB (Frølich et al., 2012). The described gap in business education literature on accreditations will be addressed in the next paragraph when discussing the thesis’ contribution to the literature. In addition, a more explicit review of literature concerning the role of accreditations in the development of responsible management education, as well as the schools’ responses to ERS-related

accreditation demands, will be provided in the following Chapter Three.

2.5. Contribution to the Literature

While the relevance of responsible management education only grew recently in the wake of the global economic crisis, the state of RME literature and research is likewise still in an emerging phase. Few scholars have assessed the different facets of business schools' ethics, responsibility, and sustainability and debated the quality and impact of such developments. Neither has the role of accreditations on RME development been investigated, nor did it receive much attention from scholars; thus, academic literature remains limited. For this reason, my literature review does not reveal the contentions of the debate, precisely because the debate has not been well developed to this point. In contrast, the literature on organisational institutionalism is extensive and well established, but again, links between how business schools and their accreditations relate to the concept of institutionalism have yet to be fully explored. Furthermore, there are gaps in understanding the effects of accreditation on responsible management education, and on how this interacts with changes in organisational structure and developments in business schools.

However, the existing literature documents a divide between RME movements that are questioning the status quo of business schools while demanding inevitable reforms, and the sector mainstream mainly sees RME as a "fad" that will go away as many other trends have in the past (Pettigrew et al., 2014, Eric Cornuel et al., 2015, Cornuel and Hommel, 2015). Aside from a few developments, research shows that much "of ERS rhetoric in business schools, combined with passivity and the common top-down governance in business schools fails to convince important internal and external stakeholders such as faculty and departments, but also employers" (Pettigrew et al., 2014, Dyllick, 2015, Rasche and Gilbert, 2015).

This thesis aims to contribute to the literature by investigating why business schools are slow to adapt to responsible management education literature and, in this context, assess the role and impact of EQUIS accreditations. The research will investigate ERS actions in accreditation bodies and business

schools, comparing the process against outcomes and evaluating policies and strategies on both sides. Above all, the thesis will contribute to the literature in this field with a case analysis of four institutions, reflecting on how EQUIS accreditation standards influence the development of responsible management education with a focus on business schools' institutional strategies, programmes, faculty, and research.

3. Chapter Three - Organisational Institutionalism

The theoretical framework of this research study lies within the field of organisational institutionalism concerned with market-based accreditation mechanisms, which may encourage isomorphism and global mimicry in management education. By analysing the organisational behaviour of business schools under internal and external coercive, mimetic, and normative pressures, the empirical study aims to assess the mechanism of isomorphic change, specifically in the development of responsible management education. While the study will contribute to the research on institutional work by examining the legitimacy²⁵ of business schools in the context of ethics, responsibility, and sustainability, it also assesses how EQUIS accreditation maintains its legitimacy as well as its impact on business schools' development in times of change, competition, and emerging alternatives. The thesis further aims to assess the impact of EQUIS on business schools' ERS development, as the accreditation body defines its main objective "to support management education in its legitimacy and continuous quality improvement" (EFMD, 2016a). In this regard, organisational institutionalism is the appropriate theoretical lens that will guide this empirical study and support my research when assessing how business schools respond to accreditation standards and evaluating the influence of EQUIS on ERS development in business schools.

3.1. Institutionalism, Alternative Theories and Isomorphism

Much of the literature in organisational institutionalism has been highly theoretical, invoking legitimacy as an explanatory concept rather than

²⁵ The area of legitimacy is an important and central concept in organisational institutionalism and dates back to the beginning of organisation theory. DEEPPHOUSE, D. L. & SUCHMAN, M. 2008. Legitimacy in organizational institutionalism. *The Sage handbook of organizational institutionalism*, 49, 77.

examining it as an empirical property (Powell and DiMaggio, 2012, Glynn and Abzug, 2002). The conceptual foundations of organisational institutionalism were established in the late 1970s by scholars such as John Meyer, Brian Roan, Walter Powell, and Paul Di Maggio (Greenwood et al., 2008). Before this new orientation, organisational theory largely portrayed organisations as “actors responding to situational circumstances” that changed with the introduction of organisational institutionalism (Friga et al., 2003). The new theoretical perspective focused on the relationship between an organisation and its environment and assessed how organisations adapt in order to maintain an “appropriate fit” (Meyer and Rowan, 1977). The environment of the organisation can be defined and composed of different internal and external constituencies such as peer organisations, networks, and media, as well as governments and other regulatory bodies like accreditations (Powell and DiMaggio, 2012). Organisations are influenced by the institutional context, such as by social understanding or “rationalized myths” (Powell and DiMaggio, 2012), which define what it means to be rational. Meyer and Rowan (1977) described further the institutional context as “the rules, norms, and ideologies of the wider society”; in essence, “the common understanding of appropriate and meaningful behaviour” (Zucker, 1983).

3.1.1. Alternative Theories and Institutional Theory

During the research design phase, I considered different theoretical frames that could hold and support the theory of my research study. I analysed and compared institutional theory with other applicable research frames, such as stakeholder theory, resource dependence theory, and change management theory. I carefully evaluated factors such as the political, social, cultural, historical, economical, geographical, and environmental frames of my research, which play an important role when identifying the appropriate theory. Following, I will introduce the different theories and justify institutional theory as the main theoretical lens of this thesis.

Stakeholder theory: In the traditional view of a company (Friedman (2007), only the owners or shareholders are important, and the dominant company interest is to increase value for them. Stakeholder theory argues that other

parties are involved and suggests that in order to create value sustainably and ethically, it is necessary to balance decision-making processes according to the interests of these various stakeholders (Freeman et al., 2010). According to Freeman (1983), a stakeholder is any individual or group who can affect, or is affected by, the achievement of the organisation's objectives, which includes employees, customers, shareholders, suppliers, the state, the local community, society, bankers, special interest groups, the environment, and technological progress. Thus, this theory views the purpose of a business as creating as much value as possible for its stakeholders. Freeman (1994) argues that to succeed and be sustainable over time, corporations and organisations must keep the interests of customers, suppliers, employees, communities, and shareholders aligned and going in the same direction. Therefore, stakeholder theory links directly to management and business ethics that address morals and values in managing an organisation; in short, it attempts to address the "principle of who or what really counts" (Carroll and Buchholtz, 2011). However, while stakeholder theory integrates both a resource-based view and a market-based view and adds a socio-political level, the definition of what constitutes a stakeholder is highly contested in the academic literature (de Gooyert et al., 2017, Maak and Pless, 2006, Freeman, 1994, Carroll and Buchholtz, 2011).

Resource dependence theory: According to Salancik and Pfeffer (1978), resource dependence theory is the study of how the external resources of organisations affect their behaviour. Organisations depend on multidimensional resources, such as energy, labour, capital, and material; hence, they associate with suppliers or integrate vertically or horizontally (Pfeffer and Salancik, 2003). The basic argument of resource dependence theory lies in the idea that resources are the foundation of power. According to Pfeffer (1987), every organisation depends on resources that ultimately originate from the organisation's environment. The specific environment generally contains other organisations; therefore, the resources one organisation needs are often in the hands of other organisations. In this context, resource dependency theory finds that even legally independent organisations depend on each other, and power and resource dependence

are directly linked to relations within and between organisations (Hillman et al., 2009). Resource dependence theory thus has implications regarding the optimal divisional structure of organisations, recruitment of employees, production strategies, contract structure, external organisational links, and many other aspects of organisational strategy (Davis and Adam Cobb, 2010). The theory strongly affects the higher education sector, which has been a subject of renewed research and debate in recent times. In the past, scholars such as Tolbert (1985) argued that resource dependence theory was one of the main reasons why universities were becoming more commercialized. With fewer government grants and resources in place, competition between the private and non-profit sectors increased (Naidoo et al., 2011), which led to non-profit institutions using marketization techniques (Davis and Adam Cobb, 2010). While resource dependence theory relates to organisational studies that characterize organisational behaviour, it does not explain the performance of an organisation. However, it does share some aspects with institutional theory (Mitchell et al., 1997).

Change management theory: The theory of change management provides a scholarly discussion that is often applied to improving practices within this field. The theory comprehensively describes how and why change happens in a particular context by referring to the approaches of transitioning companies, organisations, or individuals (Hayes, 2014). Specifically, in organisational change management, the theory integrates methods intended to re-direct the use of resources, processes, or other modes of operation that significantly reshape an organisation (Todnem By, 2005) as well as to overcome internal and external resistance (Waddell and Sohal, 1998). The theory starts by first defining the desired objectives of the change process, and then identifying and analysing all the conditions that must be implemented to reach these goals (McLaughlin and Mitra, 2001). The limits of change management theory lie in its focus on how individuals or groups are affected by organisational transitions. While the theory includes different disciplines, such as behavioural and social sciences, it applies mainly to the change management process, wherein changes are formally introduced and approved (Burke, 2013).

Institutional theory: While the previously-discussed theories are limited in their specific research areas, institutionalism allows for a broader study on how different organisations shape the behaviour of internal and external stakeholders, and vice versa, and includes elements from other theories (e.g. stakeholder, change management, resource dependence). As explained in the previous section (3.1.), the theoretical framework of this research study lies within the field of organisational institutionalism in order to assess the impact of EQUIS on business schools' ERS development. Institutional theory, specifically within the so-called new institutionalism, focuses on developing a sociological view of institutions by providing a broader view on the ways in which they interact and affect society (Powell and DiMaggio, 2012). Thus, this theory helps explain why and how institutions emerge in a certain way within a given context. The theory argues that institutions are becoming increasingly similar based on observations of different signs of isomorphism across organisations, even though the organisations developed in different ways (Deephouse and Suchman, 2008, Kraatz and Zajac, 1996).

For this empirical study, institutional theory thus appears as the appropriate theoretical lens to investigate how business schools respond to accreditation standards as it embeds but is not limited to elements from other relevant theories, such as:

- Resource stringency
- Resistance
- Multiple field-level pressures
- Ambiguous demands
- Organisational change
- Power

These theory elements will be further discussed in the next sections, within the context of institutional decoupling through translation, editing, and imitation.

3.1.2. Coercive, Mimetic, and Normative Mechanisms

Through to the present day, various empirical studies have described the different facets of organisational institutionalism. These studies reveal that organisations often conform to those “rationalized myths”, which are

constituted by the societal belief that organisations can generally be described as “well-functioning” (Deephouse and Suchman, 2008). Powell and Di Maggio (1983) explain the appearance of isomorphism through the manifestation of institutionalized ideas that pressure organisations to adopt similar structures and forms. However, this was not a new concept, as Max Weber pointed out at the beginning of the twentieth century that rationality and competition forced organisations to a similarity in structure and action (Clegg, 1994). Powell and Di Maggio further claim that three different forces work to make organisations increasingly similar: coercive, mimetic, and normative pressures (Powell and DiMaggio, 2012).

Boxenbaum and Jonsson (2008) argue that organisations, which are operating in the same field (such as business schools – *ed. note*), may face strong coercive, mimetic, and normative pressures to maintain or even increase their legitimacy. Powell and Di Maggio (1983) confirm this theory when they say that for many organisations, it is important to be similar to others in order to be socially accepted and remain credible. Boxenbaum and Jonsson (2008) argue that these coercive, mimetic, and normative pressures lead to isomorphic changes in many organisations.

According to Powell and Di Maggio (1983), *coercive pressures* result in public organisations where the state demands organisations to adapt to specific structures, often from power relationships that are evident in political environments. The pressure arrive through either ISO certifications or through resource dependencies that force organisations to change in order to receive government funding (Powell and DiMaggio, 2012, Campbell and Pedersen, 2001). While *mimetic pressures* are created in an environment of uncertainty and insecurity, where less successful organisations tend to imitate leading organisations that are perceived as more successful or influential (Kraatz and Zajac, 1996, Deephouse and Suchman, 2008), *normative pressures* relate to high standards and better practices that are often linked to moral responsibilities defined by the immediate surrounding of an organisation. In this last case, a moral choice leads to pressure on the institutions to adapt to

a particular structure, determined by the organisational environment (Powell and Di Maggio, 1983, Boxenbaum and Jonsson, 2008).

The three isomorphic pressures differ by organisational fields. While coercive pressure usually comes from above (top-down), both mimetic and normative pressures are forced on organisations from horizontally positioned peer groups and institutions (Boxenbaum and Jonsson, 2008). Essentially, these three mechanisms pressure organisations to become isomorphic in order to signal their fitness by sharing social values, which provides legitimacy in the eyes of critical constituencies such as internal and external stakeholders and society at large (Kraatz and Zajac, 1996, Campbell and Pedersen, 2001). Through isomorphic change, organisations aim to appear rational and avoid social accountability and censure while securing resources to maintain their well-being (Wedlin, 2007). But what are the mechanisms for isomorphic change?

3.1.3. Institutional Isomorphism in Responsible Management Education

In response to the global economic crisis, European management education received coercive, mimetic, and normative pressures from both internal and external stakeholders, which forced business schools to further adapt to and implement responsible management education. **Coercive pressure** (top-down) is often channelled through national and international accreditations and other certifications (e.g. ISO, EQUIS) and is immediately linked to a school's reputation and resource dependencies. In particular, public business schools were forced to adapt to external regulations in order to maintain or increase funding (Powell and DiMaggio, 2012, Campbell and Pedersen, 2001). International business school accreditation agencies are considered as one of the important sources of coercive pressures for responsible management education (Rasche and Gilbert, 2015). Although the accreditation standards give room for interpretation, business schools cannot ignore their call for responsible management education (RME), as accreditations such as EQUIS act as an important source of legitimacy (McKiernan and Wilson (2014). Arguably, some accreditation agencies have

created a degree of dependency on the side of business schools (Khurana, 2010).

Mimetic pressures (horizontal) are created in an environment of change, uncertainty, and insecurity where less-successful business schools “imitate” leading peer organisations that are perceived as more successful or influential (Kraatz and Zajac, 1996, Deephouse and Suchman, 2008). Such behaviour appears within a large number of business schools, which respond to the pressure from international, peer-driven accreditations such as EQUIS, but also to league tables and rankings (de Onzono, 2011). As RME remains as a rather vague concept, schools are seeking orientation through benchmarking other well-recognised institutions that have implemented ERS in their strategies, programmes, and research. For example, the fact that top business schools belong to the group of PRME signatories may create a strong push for lower-ranked institutions to join this initiative, regardless of their preparedness. In response, PRME established regional chapters, working groups, and a cluster of so-called “PRME champions”²⁶ consisting of schools that are believed to be RME leaders. These schools are perceived as role models, which can stir mimetic tendencies in peer organisations. Media coverage on responsible management education can also be expected to increase pressure on schools.

Normative pressures (bottom-up) relate to high standards and better practices that are linked to moral responsibilities, which are defined by the immediate environment and stakeholders of a business school. The adaption towards more responsible management education is pressured by internal and external stakeholders such as students and companies (Powell and Di Maggio, 1983, Boxenbaum and Jonsson, 2008). In fact, the business school environment has signalled in different ways that integrating ERS into the curricula is an important development that must be done (Dyllick, 2015, Thomas et al., 2013a, Cornuel and Hommel, 2015). Student organisations,

²⁶ Available from: <http://www.unprme.org/working-groups/champions.php> [Accessed 16/12/2016].

PRME, GRI, and ABIS create additional pressure by arguing that schools are not doing enough to fully embed ERS. In addition, business school media such as the *Financial Times* emphasise the normative nature of reforms (Rasche and Gilbert, 2015, Rasche et al., 2013). Faculty and students often carry the different norms provided by external organisations and media back to their home institutions and try to act on them.

According to Wilson and McKiernan (2011), one or a combination of coercive, mimetic, and normative pressures have led to some of the current EQUIS-aspiring or EQUIS-accredited schools to address demands for responsible management education by creating only isomorphic changes. Business schools may signal their “belonging to the club of EQUIS-accredited schools” by sharing social values and gaining legitimacy in the eyes of internal and external stakeholders and society at large through isomorphic behaviour such as decoupling (Kraatz and Zajac, 1996, Campbell and Pedersen, 2001). Those schools risk further damage to their reputations and to lose their legitimacy (Powell et al., 2016).

3.1.4. Decoupling

As a pragmatist and researcher, I link to institutionalism with a pragmatism focus on the patterns that make it possible to discern from among multiple constructions of an objective reality. Translation, editing, and imitations are the processes, by which different constructions are made relevant within the context of decoupling, and thus take a broader phenomenon and tailor it to more specific circumstances. The theoretical lens of my research is therefore set in organisational institutionalism with a focus on decoupling through translating, editing, and imitations. I recognise the critiques of isomorphism such as those of Mizuchi and Fein (1999), who especially questioned mimetic isomorphism, arguing that it can be easily socially constructed. However, in the context of business schools, I find more objective evidence to support Di Maggio and Powell’s approach of collective rationality (Powell and DiMaggio, 2012). In their work, Powell and Di Maggio (1983) asked, “Why are organisations so strikingly similar and what are the consequences?” Greenwood et al. (2008) pointed out that organisations that share the same

environment often take on the same structure through isomorphic behaviour. Two scenarios explain the phenomena of institutional isomorphism: (a) organisations conform and adapt to societal pressure and expectations by responding to the mandate and legitimacy they receive from stakeholders; and (b) organisations decouple their actions from their structure in order to claim that they adapt to the environment, while in reality they do not (Powell and DiMaggio, 2012, Boxenbaum and Jonsson, 2008). While in the past, decoupling was seen as a legitimate response to stakeholder pressure (Meyer and Rowan, 1977), Bromley and Powell (2012) recently linked decoupling to organisational failure that can impact an institution's legitimacy. Receiving legitimacy without true adaptation, MacLean and Behnam (2010) argue, means that organisations in this case only create a "legitimacy façade", which relies mainly on stakeholder trust and faith. In this context, decoupling means that organisations adapt only superficially without implementing the related practices (MacLean et al., 2015). Notions of "ceremonial adoption" and decoupling imply that organisations have a choice and often play an active part in shaping their context and institutional rules (Meyer and Rowan, 1977). In consequence, this means that decoupling organisations may be exposed as frauds when they are closely inspected. But how can decoupling be traced in business schools, and under what conditions is RME discussion decoupled from action? The literature discusses predictors for decoupling in general and contrasts them with the following four main conditions in which decoupling in management education is likely to occur (Boxenbaum and Jonsson, 2008, MacLean et al., 2015, Rasche and Gilbert, 2015, Thomas et al., 2013a).

Resource stringency is seen by Rasche and Gilbert (2015) as a source for decoupling, which seems to be plausible as the implementation of RME requires investments that may create conflicts between institutional pressures and resource availability. Faculty training as well as hiring new faculty, curricula changes and programme development, and research all require financial and non-financial resource commitments. Faced with tightening public funds and increasing competition for third-party funding, those resource commitments compete with other investments in a challenging financial environment. Schools may try to overcome these tensions through symbolic

change when adopting ethics, responsibility, and sustainability (Orlitzky and Moon, 2011).

Resistance has been found in research to be a stimulating condition for decoupling. Westphal and Zajac (2001) see institutions decouple formal structures from their core activities if they face resistance in their internal power dynamics. In many business schools, the influence of management on the curriculum remains limited due to the faculty-governed organisation, the notion of academic freedom, and the inertia created by the tenure system (Friga et al., 2003). In essence, the tenure system can create resistance, because tenured faculty can receive only limited pressure to revise their course materials (Thomas et al., 2013a). In this environment, business schools depend on a change model in which faculty see the need for change, which can create large obstacles when the implementation of RME is critically viewed by many faculty members (Czarniawska-Joerges and Sevón, 2005). In addition, newly developed courses or course content must compete within an existing curriculum. Hence, business schools may avoid substantive integration to minimize disputes and conflicts among faculty members. As academics often enjoy a high degree of freedom in combination with strong power and influence, their resistance can encourage institutional decoupling as a response strategy.

Multiple field-level pressures may drive decoupling through the characteristic of the organisational field in which institutional pressure is embedded. The integration of RME into the field of business and management exposes institutions to multiple pressures that make it difficult to respond to all requirements equally (Starkey and Madan, 2001). For example, rankings substantially influence business school strategies and decision-making processes. However, while rankings do not contradict RME development, none of the major rankings (e.g. FT, Forbes, Economist) contain explicit RME criteria. This creates a situation where institutional pressures are not aligned with rankings, which are important as they have a strong effect on reputation and are often seen as an indicator of quality and status (Thomas and Bradshaw, 2007, Wedlin, 2007). Similar patterns may

also appear with scholarly publications, where important publication lists (e.g. ABS, FT) do not carry many journals that publish RME-related articles. In this scenario, faculty incentives to engage in ERS research and publish scholarly work in this area are relatively low. Thus, schools and their faculty may prefer to invest in activities that align them with ranking criteria and publication lists while trying to decouple structural effects from RME, whose development will not generate a higher place in rankings.

Ambiguous demands can lead organisations to decoupling as well. In this case, schools only adopt structures symbolically and implement policies in ways that are minimally disruptive, especially when the demands they face are perceived as ambiguous. Ambiguity can be created through a lack of distinct guidance on implementation and clarity in language, which gives business schools a high degree of interpretive flexibility (Powell and DiMaggio, 2012, Power, 1999). While some organisations may use this gap to adapt their implementation processes, others may use this flexibility to decouple. For instance, initiatives such as PRME are non-descriptive in their principle expectations of responsible management education; hence, those in charge of implementation may perceive them as vague. Based on this, it is not surprising to find that many PRME progress reports written by business schools appear to be rather vague in specifying their respective educational framework (Godemann et al., 2014). Accreditation agencies such as EFMD and AACSB are similarly vague in describing their standards and expectations. Both accreditations appear non-descriptive often lacking indications on how quality is measured for responsible management education, as they do not require any specific courses or actions. This approach opens doors for limited scope and scale and may undermine the development of responsible management education (Lejeune, 2011). Thus, the ambiguous nature of institutional demands may create the possibility for schools to engage in decoupling by hiding limited actions behind broad public commitments.

Two of the above-introduced conditions (resource stringency and resistance) focus on internal processes and apply to a large number of—and often

public—business schools. The other two conditions (multiple field pressure and ambiguous demands) are externally oriented and are embedded in the organisational field of management education. Each condition can frame a context in which decoupling may happen, but does not necessarily imply that business schools will always decouple in these environments. Much depends on how an individual school defines its actions in areas such as ethics, responsibility, and sustainability. However, these conditions set the frame for this empirical study when assessing decoupling within the case institutions and will be discussed again in Chapters Six and Seven.

3.1.5. Translation, Editing, and Imitation

In the late 1990s, research on the part of the so-called “new institutionalism” highlighted a particular contextual, conflictual, and on-going process and suggested a departure from using the term “diffusion”, and instead to use “translation”, “editing”, and “imitation” (Greenwood et al., 2008). Patterns of translations, editing, and imitations have been developed and applied across organisations and around the world, in highly competitive environments with strong resource pressure and an accountability culture (such as New Public Management) (Power, 1999). In particular, in organisations that are exposed to the pressures of evaluations, audits, and accreditations, as well as rankings, the use of translation, editing, and imitation is evident, which in turn can contribute to decoupling and isomorphic changes (Wedlin, 2007). However, translation and editing should not be understood as linguistic terms, but as forms of movement and transformation of management ideas, with many actors and in different contexts.

Translation is characterised by Sahlin and Wedlin (2008) as the materialisation of a certain idea or practise into accounts that are transformed from one setting to another. Such accounts undergo translations as they spread in different contexts, by both those actors that are seeking to be imitated and those that imitate ideas and practices according to their own objectives and environments (Sahlin and Wedlin, 2008). In each new setting, ideas and information undergo a translation while they are being transferred,

transposed, and transformed by different actors (Czarniawska-Joerges and Sevón, 2005).

Editing can be seen as the circulation of ideas and as a continuous process performed by any number of involved editors. However, the editing has little in common with a creative and open-ended process, but instead is characterized by conformism and social control (Strang and Meyer, 1993). The process through which editing takes place can be described as contextualising, which leads to a change of content as well as meaning of the edited experiences or models.

Imitation is described by Sevón (1996) as a process in which actors imitate those they want to resemble. This process can be seen as a basic social mechanism that brings different organisations together and makes them look alike. Therefore, imitation can stir the envisioned identity, which involves self-identification as well as external recognition (Sahlin and Wedlin, 2008). Imitation can thus work in two ways. Either an organisation can imitate prestigious institutions to differentiate from competitors, or it can imitate other leading organisations in order to be recognised as a member of the leading group (Meyer and Rowan, 1977). Guiding questions in the process of imitation are: “Who am I?” and “How am I different or alike?” (Djelic and Sahlin-Andersson, 2006). These questions are driven by identity, and the theory is grounded in Bourdieu’s notion of the field, where he (Bourdieu (1984) described organisational fields as formations that are bound by a common belief in specific activities. In this context, the fields act as a reference system contributing to an organisation’s structure and identity.

Although there are no clear rules for translation, editing, and imitation, recent studies reveal that they are used to present new ideas in familiar and commonly accepted terms in order to have them make sense to the audience (Zilber, 2008, Greenwood et al., 2008, Powell and DiMaggio, 2012). The translation, editing, and imitation processes thus serve as a concept to help transform new ideas and practices by mainly using existing templates, examples, categories, scientific concepts, and theoretical frameworks (Rasche and Gilbert, 2015, Kraatz and Zajac, 1996). These rules, which are

neither written nor follow particular instructions, restrict and direct the translation, editing, and imitation process in the different phases of circulation (Hood, 2004). The context of translating, editing, and imitation and how these activities influence the decoupling of policies from practice in business schools in order to gain legitimacy and respond to stakeholder expectations is of particular importance to this empirical study.

3.1.6. Institutional Change and Loosely Coupled Systems

The concept of organisations as loosely coupled systems is diversely interpreted and applied within institutional theory. Introduced by Weick (1976), the theory of loose coupling captures the dialectic between the subject and object. While on one hand, loose coupling describes an organisation's abstraction of reality; on the other hand, it emphasizes the reality in which the organisation acts. In contrast to tightly coupled systems, loosely coupled systems are coupled organisations in which each organisation preserves its own identity along with its physical and logical separateness (Fusarelli, 2002, Weick, 1976). Orton and Weick (1990) argue in favour of loosely coupled systems, which enable organisations to exist and act on each other without demolishing themselves. As a result, loosely coupled systems experience a lack of organisational structure and regulations, with different stakeholder groups coming together to respond to changing demands within variable timescales and limited resource frames (Cameron, 1984). Deciding which elements are coupled and for what purpose shapes the boundaries and indicates how they are leveraged within the organisation. This flexibility can increase responsiveness to pressures from internal and external environments, which may otherwise be lost due to a lack of coordination and organisational control (Robertson, 1993). Robertson (1993) argues that it may not be possible to translate improvements in one part of an organisation across the entire organisation. Thus, Weick's argument can be challenged, as loose coupling allows independent groups to pursue their respective objectives in relative isolation, with limited interference from other groups and limited control from central authorities (Kraatz and Block, 2008). However, the need to respond to rapidly changing environments and diverse stakeholder demands remains crucial for business schools, which leads to diverse

institutional change processes in management education—and to entirely new forms of organisations.

Change is a constant phenomenon in all areas of organisations, often contradicting humanity's common search for stability. Institutional change refers to changes in the ideas that govern institutions and is defined as the change process of an entire organisation (Dacin et al., 2002). While specific organisational contexts can vary in significant ways, institutional change involves growth and expansion, diversification, contraction, discontinuity, and innovation (Pennington, 2003). Although multiple models for institutional change exist, Figure 2 describes the overall change process and relevant dynamics of change. Starting with (I), pressure arrives to institutions through the immediate environment as well as internal and external stakeholders, which demand (II) change through alternative practices that lead to a process of internal de- and re-institutionalisation. Depending on factors such as commitment, power, and capability (IV), the change process will then be institutionalised (V) (Etheridge et al., 2009).

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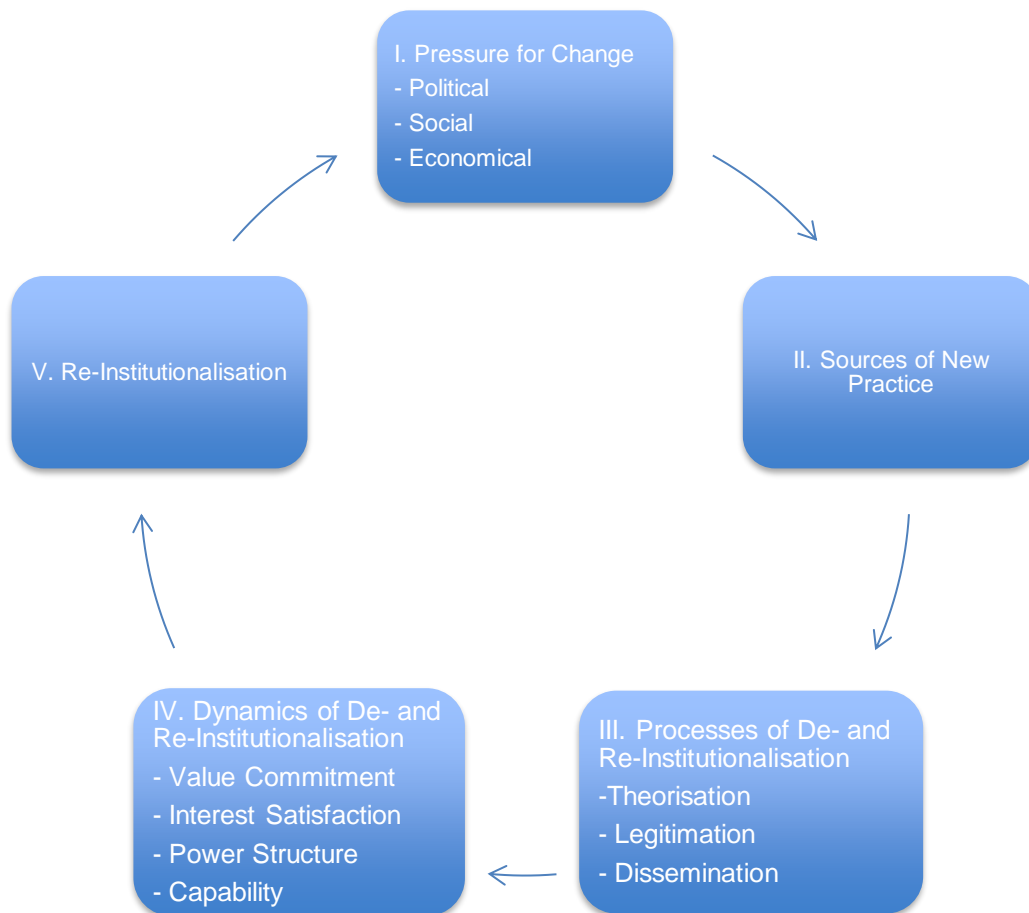


Figure 2: Model of Institutional Change

(Etheridge et al., 2009)

While there is consensus in institutional literature that institutional change is often initiated through competition, there is less agreement whether the change happens due to the flexibility of institutions or is rather generated as a result of institutional isomorphism (Haunschild and Chandler, 2008). The literature also presents evidence for institutional changes that appear in different forms, from simple shifts in strategy to fundamental changes in an organisation that lead to new paradigms (Balogun and Hope Hailey, 1999). At an earlier period of institutional change theory, Watzlawick et al. (1974) identify two levels of change that are interdependent. Watzlawick differentiates between qualitative changes to a system itself and adjustments that are made within that system. More recently, Ackerman et al. (1997) introduces a typology of change by differentiating between the following three categories:

- **Developmental change** is a common phenomenon in organisations, building on existing strategy and trying to enact change within the current framework without questioning the foundation. The change is incremental, focusing on smaller areas within institutions such as programmes, courses, and small departments. Developmental change is an on-going process that can be planned or appear within another process, and can transform to more fundamental change.
- **Transitional change** is planned and radical, with a more strategic approach that leads to fundamental change within an organisation. This transition may be in response to internal and/or external drivers that promote the change. This form of change often occurs in a specific, predefined time frame that can be adapted if the strategy or other parameters change.
- **Transformational change** is a major shift in response to extreme pressure or force from internal or external sources. In either case, such change is of the most radical nature and affects an entire organisation on multiple levels.

Pennington (2003) suggests that institutional changes exist upon two scales: radical—incremental and core—and peripheral (see Figure 3). Evaluating change along these scales can provide a sense of potential difficulties in implementing any institutional change initiative by determining how much disturbance this process might create. Radical changes to a core business normally generate high levels of disturbance; incremental changes to peripheral activities carry rather lower risks.

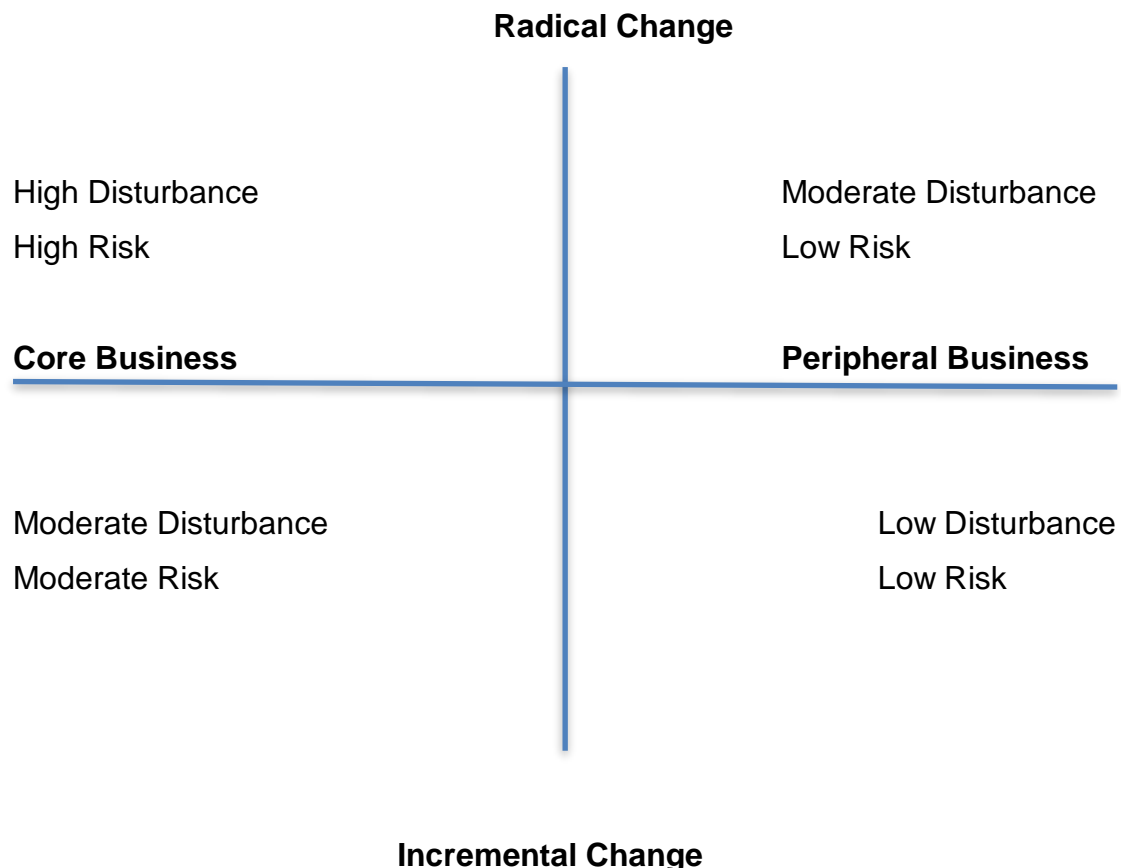


Figure 3: Planning Tool for Change in Higher Education

(Pennington, 2003)

Institutional change theory is highly relevant for management education, as business schools must adapt to changing environments while also being seen as leading organisations that set standards and new trends for the entire higher education industry (Dacin et al., 2002, de Onzono, 2011). In contrast to larger universities, business schools often carry the basic elements to ensure entrepreneurial action. As stated by Clark (1998), this can include a strengthened steering core, extended developmental periphery, diversified funding base, stimulated academic heartland, and integrated entrepreneurial culture (Altbach, 2006).

Universities and business schools face growing competition on the regional, national, and international levels. Access, funding, economic and social developments, accountability, autonomy, technology, and globalisation are commonly identified as internal and external drivers in promoting or resisting change in higher education (Green, 1997, Maassen, 2006). In this context,

major stakeholders (actors) in change processes are often governments, faculty, and students (Green, 1997). According to de Onzono (2011), the following five elements influence the current dynamics of institutional change in management education, which initiates and fosters the institutional change process that is described in Figure 2 Model of Institutional Change.

- With increasing international competition through growing student and faculty mobility, the increase of access as well as the trend to standardisation requires schools to set themselves further apart from their competitors.
- Multi-polar competition drives global institutions not only to attract the best students, faculty, and researchers to their home campuses, but to also build their presence off shore.
- The rise of university-based business schools challenges the many independent business and management schools that have often been the more innovative and entrepreneurial institutions in the past.
- Ever-changing demands from the job market, as well as recent developments in teaching technologies, have led to new cross-disciplinary programmes, curriculum changes, symbiosis between pedagogy and technology, and greater diversification within the organisation, mixing public and private institutions.
- As a result of globalisation, business schools are increasing their critical size and scale through mergers and acquisitions of other educational institutions in order to remain competitive with resources, faculty, research, and facilities.

3.2. Conclusion

The development of new trends and ideas—such as the EQUIS ERS criteria—can be seen as a contextual, conflictual, and on-going process in which business schools may use translation, editing, and imitation to decouple their actions from talk. Institutionalism highlights the use of translation, editing, and imitation by linking these processes to isomorphic behaviour in assessments, accreditations, and rankings (Wedlin, 2007, Rasche and Gilbert, 2015). But how does decoupling function in business schools?

Although existing scholarly work has increased knowledge on decoupling through institutional pressures (Rasche and Gilbert, 2015, Gioia and Corley, 2002), we know little of whether and how business schools decouple their ERS talk from actions under the mimetic pressure of accreditations. The scarcity of scholarly work in this particular area can be largely explained with the only recent introduction of ERS criteria in accreditation standards. With this study, I will contribute to the elaboration of conceptual insights by analysing to what degree business schools decouple ERS policies from action in the context of EQUIS accreditation, and what role translation, editing, and imitation activities play within this context.

4. Chapter Four - Research Design and Methodology

This chapter sets out the context of the study and its research questions, explains the methodological approach used, and discusses how the approach shaped the design of the study. The philosophical approach, ontology, and epistemology will be discussed within the context of the study and its theoretical framework linked to organisational institutionalism. The use of qualitative methods will be justified in Chapter Four, while explaining why particular research methods were selected over others. The chapter further evaluates the limits of the study, its validity, and the reliability of the research, and it concludes with a reflection on how the methods and research evolved. The final discussion also includes potential ethical as well as legal issues and the lessons learned. The broad context of the study reflects an environment that is becoming more complex, with business schools and accreditation bodies on both sides and increasingly under pressure to become more ethical, responsible, and sustainable. The research approach, design, and methods of the study are drawn from a thorough evaluation of different theoretical frameworks and based on a critical review of the literature guiding my empirical work.

This empirical research is a qualitative study. I first outlined a framework by developing an understanding of EFMD's organisational structure and the ERS development process in the EQUIS accreditation standards, using interviews and documentation review as my primary source of information. In a second step, I analysed ERS developments in four European business schools and assesses the implications of EQUIS accreditation standards in the field. Research at these four institutions allowed me to compare and contrast the findings from the individual cases and, while the findings may not be generalizable to all European business schools, they provide outcomes that can inform literature as well as future research. I contextualised those developments by studying the relationships and interdependencies between the business schools and EQUIS, and also assessed EQUIS influence on institutional and strategic development of responsible management education

in the case study institutions (and vice versa). My main research focus during interviews and document reviews was on ERS developments in the following areas: strategies, programme development, faculty, and research. By assessing these four principal areas, I am following the EQUIS accreditation scheme that highlights their importance in the overall business school portfolio.

4.1. Philosophical Approach, Ontology, and Epistemology

Many external factors can affect research designs and philosophical positions, particularly the ontology and epistemology of the researcher (Easterby-Smith and Lyles, 2011), which can have a major impact on the way research is conducted and evaluated. In the table below, Guba and Lincoln (1994) cluster philosophical positions that have been associated with educational and management research design. The qualitative approach allowed for the opportunity to include contextual aspects of the environment and its participants, and to explore emerging themes holistically (Pettigrew, 1985). I adopted a critical pragmatist position, as it recognised the importance of causation, accepting that there is a real world that exists independently of the individual and that it is always possible to learn more of this reality (Kadlec, 2007). Critical pragmatism comes out of the relationship between pragmatism and critical theory. However, this type of discovery is not necessarily straightforward, and these issues are discussed in relation to this study.

	Positivism	Postpositivism	Critical Theory et al.	Constructivism
Ontology	naive realism—"real" reality but apprehendable	critical realism—"real" reality but only imperfectly and probabilistically apprehendable	historical realism—virtual reality shaped by social, political, cultural, economic, ethnic, and gender values; crystallized over time	relativism—local and specific constructed realities
Epistemology	dualist/objectivist; findings true	modified dualist/objectivist; critical tradition/community findings probably true	transactional/subjectivist; value-mediated findings	transactional/subjectivist; created findings
Methodology	experimental/manipulative; verification of hypotheses; chiefly quantitative methods	modified experimental/manipulative; critical multipism; falsification of hypotheses; may include qualitative methods	dialogic/dialectical	hermeneutical/dialectical

Table 1: Summary of Inquiry Paradigms

(Guba and Lincoln, 1994)

Considering the different research philosophies that are listed in the previous table and more extensively described in management research literature, I associate with the philosophical position of a pragmatist, arguing that the most important determinant of the research philosophy is my research question and that it is possible to work with different philosophical positions that allow for multiple methods in one study (Kelemen and Rumens, 2008, Saunders et al., 2011). This does not mean that I always prefer multiple methods, but rather choose the right framework that enables credible, reliable, relevant, and well-grounded data to advance the research. I also believe that it is possible to work within both positivist and interpretivist positions. I follow the logic that any research findings should be treated as tentative and open to periodical review (Gosling, 2003). I believe that knowledge and meaning are always of

tentative nature, naturally changing over periods of times (Saunders et al., 2011). Therefore, I relate to Saunders' theory that research findings can only be seen as preliminary results of a particular study, which may be challenged by different viewpoints that can be shaped by variables such as social, political, economic, and ethnic values (Saunders et al., 2011). I also acknowledge the influence of different time frames, which may lead to new findings that will change the meaning and realities of already-produced research (Guba and Lincoln, 1994).

4.2. Research Strategy

The research strategy should be informed by the epistemology and demonstrate that the researcher reflected on all possible elements by starting with a methodological choice on either a quantitative or qualitative (single methods) or a multiple research frame. Saunders et al. developed the "research onion" (Figure 4) to illustrate that the research strategy will define the time horizon and the methodological choice, narrowing the techniques and procedures while defining the research philosophy and approach (Saunders et al., 2011). These aspects of the research design are vital to understanding what the researcher intends to achieve and help determine the impact of design changes on the study.

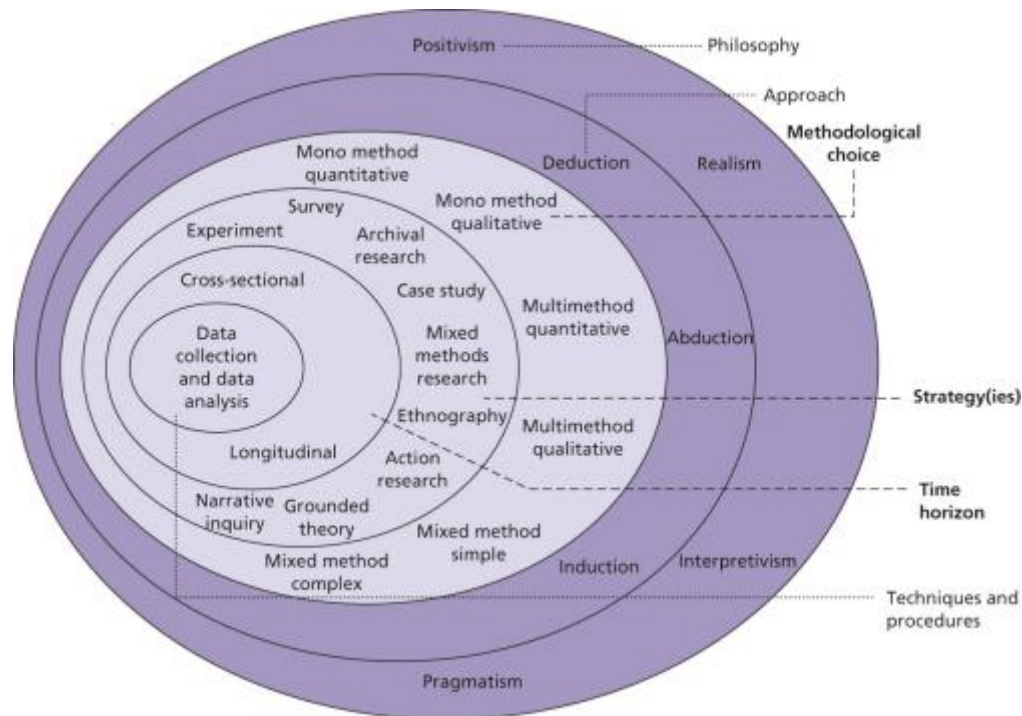


Figure 4: The Research Onion

(Saunders et al., 2011, p. 160)

Following the layer structure of the “research onion” and in order to explain the data collection and analysis process of this empirical study, I can state that I am a “pragmatist” when using constructed realities and my research approach is “inductive”. My methodological choice is “multimethod qualitative”, as I am combining desk research, document review, and onsite interviews in the “case study research”, while the time horizon remains “cross-sectional”.

I endorse practical theory that informs effective practice and view knowledge as being based on the reality of the world we experience and live in (Saunders et al., 2011). I acknowledge the value of both qualitative and quantitative research methods and believe that the choice to use one or the other, or a mix of both, should be made based on which has best potential to address the specific research. I also acknowledge and intend to leverage the existing literature on organisational institutionalism that describes the characteristics and preferences of business school accreditations. This literature informed the lines of inquiry for my research, which investigates the institutional work and change management in EQUIS accreditation and business schools, comparing the process against outcomes and evaluating

policies and strategies for managing change. The thesis analyses the organisational behaviour of business schools under mimetic, normative, and coercive pressures, as well as under other environmental influences. The study aims to inform institutional theory and to develop a sociological view of institutions and the way they change and interact towards a more ethical, responsible and sustainable business school model. The research also aims to observe patterns of influence within business schools and their organisational responses by comparing symbolic compliance with full-hearted embracement.

4.3. Research Design

There are no perfect research designs, but various design principles can help researchers select the most suitable methods for addressing the right research questions (Patton, 2005). Decisions about the design, measurement, analysis, and writing up of research should flow from the purpose of the inquiry (Saunders et al., 2011). Considering the complexity of the research topic involved in this study, a research approach was needed in which all the interrelationships among the factors related to the content, context, and process could be analysed together. To manage this complexity, this research study used Pettigrew's contextual and process methodology (Pettigrew, 1985, Pettigrew, 1997). This contextual process methodology seeks to find relationships among multiple processes and outcomes while avoiding assumptions about linear relationships. The research study explores the relationship among business schools and EQUIS accreditation, the implementation of accreditation standards, and the associated responses and outcomes. The purpose of my research is to find answers to my research questions and, in this context, to expand understanding of the ways in which EQUIS accreditation contributes to the development of responsible management education in Europe. The audiences for this research thesis include business school management, academic, and professional staff that contribute to the development of ethics, responsibility, and sustainability as well as quality management personnel. The thesis also aims to inform EQUIS

on the impact of its ERS standards and how business schools are adapting and responding to the new accreditation criteria.

4.3.1. Design Factors in the Use of Case Studies

Case studies are designed to examine a particular case within a framed system (Eisenhardt, 1989), or a phenomenon within its own context or within a number of real-life contexts (Saunders et al., 2011). The factors that are included or excluded from the context, and how the case study is framed, become critical to the research findings. Although often linked with qualitative research, case studies can be based on qualitative and/or quantitative data and do not imply the use of particular data collection methods (Patton, 2005). The methods may include interviews, questionnaires, and document analyses. Consequently, when using a case study strategy, triangulation of multiple data sources is often recommended (Saunders et al., 2011). Triangulation refers to the use of different data collection techniques in a single case study in order to ensure the validity of independent findings. Typically, a PhD case study is composed of three methods; however, the DBA has a smaller empirical scope. Therefore, I applied two methods to my case study research.

Eisenhardt and Graebner (2007) distinguish between intrinsic, instrumental, and collective case studies as the three main typologies. An intrinsic case study creates understanding of a case as a unique example that is studied in its own right. The instrumental case study is one in which a case is examined to offer insight into a specific issue from which generalizations may be drawn. Finally, multiple instrumental cases may be studied together as a comparative qualitative case study. Quantitative and/or qualitative research methods can be used in case studies to collect and analyse data (Yin, 2013). Case study strategies are designed to generate answers to “why”, “what”, and “how” questions, and therefore are often used in explanatory and exploratory research. I used a “how” question for the central research question, and also for the underpinning research questions.

According to my research questions and following Eisenhardt and Graebner, I designed an interview agenda with a mix of semi-open and open questions where I utilised “how” questions when asking interviewees what actions they took, what the methods they used, or how the organisation approached particular issues (Eisenhardt and Graebner, 2007). I asked “what” and “why” questions to assess the reasons underpinning particular actions, gaining respondent viewpoints or exploring the underlying contextual factors behind different development stages. Thus, I was able to collect rich data that allowed a cross-case comparison to examine differences and similarities, which contributed to build accurate and reliable research findings. However, it needs to be distinguished between findings that are atypical and resting within a particular case and findings that can be used for generalization. A key difference between case studies and other qualitative designs, such as grounded theory or ethnography, is that case studies are guided by concepts and theories, whereas grounded theory or ethnography are based on the assumption that perspectives will emerge directly from the data (Saunders et al., 2011). One potential limitation in my case study may be the overall generalizability of data, because the strength of links to the particular context is also a weakness in terms of applicability to wider situations. Therefore, I chose to design a multiple case study strategy in order to collect data from a relatively small number of case institutions while still producing and demonstrating evidence of different business school models. Robert Stake (1995) distinguished cases into three categories: (1) intrinsic, (2) instrumental, and (3) collective. The intrinsic case is often exploratory in nature, and the researcher is guided by interest in the case itself rather than in extending theory or generalizing across cases. In an instrumental case study, the case itself is secondary to understanding a particular phenomenon. In the instrumental case study, the cases are chosen to support a more generalizable theory that applies beyond the particular case. I applied the instrumental case study to my research; to me, the case itself is less important, and I am more interested in the purpose of the study. I selected four case institutions to represent the different business school models, according to their legal, funding, and autonomy status. The four schools are all located in a common geographical, political, and societal area, which

allows for comparison. Historically and culturally, the schools share similar backgrounds, but their governance models are different (private or public, stand-alone or university-embedded). Additionally, all schools have undergone an EQUIS audit since 2013 and applied the new standards .

4.3.2. The Use of a Qualitative Methodology

Qualitative research is associated with a variety of strategies that have specific emphasis and scope as well as a particular set of procedures to develop a conceptual framework. The principal components of qualitative research are: action research, case study research, ethnography, grounded theory, and narrative research (Saunders et al., 2011). This type of research accommodates a large number of variables by using a set of data collection techniques and analytical procedures to develop a conceptual framework; therefore, it can fully reflect the complexity of management education. The data collection is non-standardized and can be adapted during the research process while using non-probability sampling techniques (Yin, 2013). Qualitative researchers underline the role of values and social elements within reality and the close relationship between the researcher and the case institution (Patton, 2005). However, according to Pettigrew (1997), the potential weaknesses of qualitative research may include poor reliability of findings, resulting in weak claims that cannot be justified. This can result in a lack of credible generalizations, particularly in complex situations (Pettigrew, 1997).

As a pragmatist, I used constructed realities like interviews and document review for my empirical study. I found those two qualitative methods most appropriate to investigate the research questions and to capture the complexity of the case institutions, as they gave me the opportunity to contextualise and directly compare data drawn from document review with data collected through semi-structured interviews. (The research methods are discussed in the next paragraph in more detail.) By understanding the data well, it is possible to generalize based on analytical deduction and detailed insight into a few representative cases, as opposed to developing a generalization based on numerical representations in a larger sample size.

One of the methodological problems encountered was deciding on the number, names, and ways to gain access to universities to be included in this research study. Barry et al. (2001) insist that outcomes can differ substantially across different types of universities and subject areas, indicating that the types of case schools needed to be representative. One solution to this issue was to increase the sample size in order to create heterogeneity. However, research studies maintain that although the argument to increase sample size can be correct, a conclusion drawn from such data can still be misleading depending on the methodology. The depth of a study does not necessarily come from the number of cases, but from the way in which the comparative study is conducted. Therefore, the researcher must account for complexities due to different cultures (even within one case institution), levels of the schools included in the interviews, and cross-case analysis using different measure for a qualitative analysis of data. According to Powell and DiMaggio (1991) and Powell and DiMaggio (2012), it is reasonable to study a small, representative group of business schools, because the on-going process of homogenisation (particularly in management education) causes the institutions to resemble each other.

4.4. Case Selection

To date (29 January 2017), 129 business schools have gone through an initial accreditation or reaccreditation process since EQUIS introduced its new standards in 2013. Due to my research interest on how accreditations influence business schools' activity on responsible management, it was appropriate to explore the phenomena through an in-depth case study, rather than investigating a large set of schools. When building the research strategy, I considered two different research approaches: (a) with a large number of case institutions, engaging in document review and online questionnaires, or (b) with a limited number of case institutions, conducting interviews and desk research (mixed-methods case study). The former would create a large and representative set of data, but offered strong limitations, as the document review would be limited to an evaluation of data from questionnaires and

EQUIS self-assessment reports. Therefore, the research outcomes would depend on written responses and documents authored by the school in order to receive accreditation or to present the institution to an external audience; this could lead to questions of reliability of data, and thus influence the quality of potential findings. The latter format would allow for a deep analysis of each case institution, while engaging with key personnel through semi-structured interviews combined with document reviews. The use of different research techniques would allow me the opportunity to combine data and to ascertain if the findings from one source corroborated findings from others.

Although EQUIS has accredited a growing number of schools outside of Europe, my geographical focus can be explained with the origin of this accreditation. EQUIS was developed as an assessment and quality development system for European business and management schools; at this time, the largest group of EQUIS-accredited schools is still in Europe (EFMD, 2016b). However, the recent introduction of the new EQUIS standards and criteria limited the number of potential case institutions. Thus, I only considered European schools that went through re-accreditation or initial accreditation since 2013 (see Appendix 4: List of EQUIS Schools).

Following my research methodology, I searched for schools that had applied in the following four categories, which are explained in detail in the paragraph below:

1. Public institution, university-embedded
2. Public institution, stand-alone
3. Private institution, university-embedded
4. Private institution, stand-alone

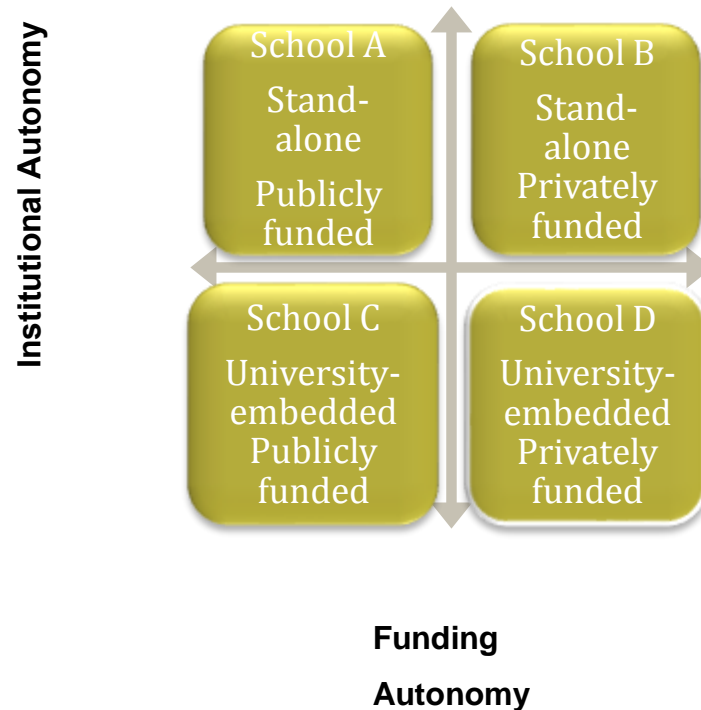


Figure 5: Matrix of Case Institutions

The categorization shown in Figure 5: Matrix of Case Institutions is informed by the common belief, often expressed in business school and accreditation circles, that privately funded and/or stand-alone schools have more institutional and resource autonomy, and therefore these schools respond faster to internal and external pressures than university-embedded and/or publicly funded institutions do (Thomas et al., 2014, Starkey and Madan, 2001, Rayment and Smith, 2010). Following this theory, stand-alone and privately funded schools should be better equipped to implement changes and react to demands from different stakeholders, such as in the development and implementation of responsible management education. The case institutions also differ by numbers of years that they have held accreditation; some are long-standing EQUIS-accredited schools, while others only recently received the accreditation seal. Another differentiator is the RME/CSR reputation of the case institutions; some of the schools are well recognised for the RME and CSR developments, while others are not very visible in responsible management education circles.

In order to ensure a common contextual, cultural, and educational environment, I searched for four case institutions based either in one country or in one geographical area. However, after evaluating all schools that went through EQUIS accreditation or re-accreditation, I was unable to find four schools from the same country that matched all the search criteria. Therefore, I evaluated different regions that could provide a set of schools; in Europe, only the Nordic Countries²⁷ provided the group of case institutions that fulfilled all criteria of my research design. Accordingly, I choose four schools from the Nordic Countries to represent the four categories shown in the Figure 5: Matrix of Case Institutions.

Although there are some differences between the Nordic Countries, the literature emphasise strong links and similarities due to their historical, ethno-cultural, linguistic, and economical as well as educational proximities (Derry, 2000). The four case intuitions with their different governance and funding models provide a large selection of European business school models. The focus on the Nordic Countries sets the cases within a conceptual framework. While I did not originally plan to assess schools from Nordic Countries or a particular region or country, this choice may create a bias as Nordic Countries tend to be seen as more advanced with regard to ERS and responsible management education; thus, they seemed more likely to actively engage with the EQUIS ERS standards. However, the conceptual frame allowed the studies to assess to what degree schools from Nordic Countries are truly advanced and if this applied to all the case schools. It also allowed for the question of how EQUIS would support responsible management education if leading schools were not challenged by their ERS related standards and criteria. The research design allowed me to draw conclusions on overall European business school developments, even with the more limited geographical focus.

²⁷ Nordic Countries: Denmark, Finland, Iceland, Norway and Sweden

4.5. Data Collection

For the design of this qualitative research study, I choose a combination of two different ethnographic methods that are composed of: (1) document and data review, and (2) semi-structured interviews. The first research phase started with the assessment of the different institutional documentation, reports, and data sheets from each case institution as well as documentation from EQUIS and EFMD. This phase was finalized prior to the interviews, which were conducted in person and on-site during the second phase. The group of interviewees included a predefined and approved set of staff that represented different hierarchical levels as well as academic and professional functions (see list of interviewees in “Research Design Part 2”). The interviews were conducted individually, with this range of relevant academic and administrative personnel, in order to generate a holistic set of responses from different internal stakeholders. The interviewees held key roles in the strategic development of the school, faculty management, programme development, quality management, or research. In addition, I interviewed students and faculty in focus groups to verify the data collected during the desk research and interviews. Students and faculty are internal stakeholders that are often not directly involved in defining institutional strategies, road maps, and key performance indicators. Thus, they may have opposing opinions on management-based decisions and institutional objectives and function as an “appropriate mirror” when evaluating ERS strategies and related reports (“ERS talk”).

During the months of November and December 2015, I contacted the Deans of the preselected schools, and shared the research project as well as the objectives of my thesis. In addition, I met with each Dean at EFMD’s Deans and Directors Conference on January 25-26, 2016 in Budapest to further discuss the research methodology and process. All managers reacted positively to my proposal while granting support and full access to their schools’ documents and staff, provided that I could guarantee full confidentiality for each institution. I agreed to the confidentiality request; therefore, the study ensures that no case school’s identity is not revealed. I used acronyms instead of the schools’ names and avoided any direct

indication of any institution. Following this step, I was in direct contact with quality management and accreditation staff that helped me to collect documents, and they provided self-assessment reports and helped plan and organise the on-campus interviews. During my communication with the management of the case institutions, it was to my advantage that I had been cooperating with each school through previous work engagements. While on campus, the schools provided access to all areas by assigning me a staff card, which gave me the opportunity to explore the school and make observations freely. I was also able to speak independently to staff members as well as students and to meet interviewees multiple times in different environments. In all case institutions, I had my own office where I could conduct interviews; I also stored documents and was able to take notes following the interviews, which served as important data sources during the analysis.

4.5.1. Document Review

I acquired and analysed internal documentation, such as bylaws, assessment reports, data sheets, internal regulations, meeting minutes, institutional and sub-strategies, and programme and course descriptions, as well as research policies. During the review, I focused on documentation associated with ERS/RME development to acquire a better understanding of the process and to contextualise the interview findings. Under confidentiality, all schools granted full access to all internal documents, and most importantly, to all material that was related to the EQUIS accreditation process, including their self-assessment reports.

Research Design Part 1 - EQUIS Document Review:

Review and assessment of the following reports, publications, and other documentation provided by EFMD/EQUIS, such as:

- Strategy papers documenting the ERS development process
- EQUIS Self-Assessment Reports (SARs) from recently accredited schools
- EFMD/EQUIS governance structure, mission, and vision

- EQUIS accreditation standards and criteria
- Internal and external communications (websites, brochures, accreditation manuals, handbooks, and training and support materials for peer review teams)

Research Design Part 1 – Case Institutions Document Review:

Review and assessment of the following institutional reports and documents:

- Institutional and programme strategies, mission, vision, and values
- Mid-term and long-term strategies and work plans
- EQUIS Self-Assessment Reports, progress reports, and data sheets
- Review of internal and external communications (websites, brochures, etc.)
- Programme design, course lists, curriculum, intended learning outcomes (ILOs), and content
- Student recruitment and admissions and selection criteria
- Faculty list
- Faculty management strategy/plan
- Research and publication lists
- Institutional reports related to RME/ERS (i.e. for Principle of Responsible Management Education)
- RME/ERS/CSR related publications, books, and research
- Institutional developments
- Internal/external engagement and recognition in RME/ERS (GRLI, UNGC, PRME, ABIS, CEEMAN)

4.5.2. Interviews

To better evaluate the different developments at case institutions, I utilised semi-structured interviews and document review as the primary data source. As this study required an in-depth and individual perspective, I conducted mainly individual interviews, but I also organised focus group interviews of faculty and student groups. In total, I held ten individual interviews and focus group interviews at each case institution over a period of three days. I

consulted existing literature to create an interview guide that informed the questions and themes for the structured and semi-structured interviews. One-on-one interviews can be conducted in different ways, they can be structured, semi-structured, or non-structured, or use a combination of all three components (Easterby-Smith and Lyles, 2011). My primary aim of conducting the interviews was to gain qualitative results from a carefully targeted sample. Personal interviews seemed the most appropriate form of investigation as I experienced in my professional life that schools are reluctant to share information officially; particularly in the area of accreditations, schools keep self-assessment reports and related material confidential and are hesitant to discuss accreditation results publically. Thus, interviews seemed the right approach to engage with personnel and acquire information that went beyond the official communication material that the schools presented on websites and brochures.

Research Design Part 2 - EQUIS Interviews:

Interviews EFMD:

- Quality Service managers
- ERS Task Force members

Research Design Part 2 – Case Institutions Interviews:

- Management Team; e.g. Dean, associate Deans for research, programmes, education, etc.
- Director for quality management/accreditations
- Director of ERS (or key person(s) in ERS development)
- Director of “selected programme” (flagship programme that underwent special review by the EQUIS accreditation team)
- Focus group: faculty
- Focus group: students

With a research focus on the development of ERS in business schools, I carefully selected the interviewees to ensure that all stakeholders would be heard and to avoid influence from respondents that could potentially

result in a bias towards or against responsible management education. This was achieved by a balanced representation of academic and administrative interviewees as well as students. I also included roles from different areas of governance to ensure a range of perspectives from across the case institution to avoid polarizing or grouping of specific views. During the data analysis, it was helpful to see that the academic and professional responses provided consistent findings.

To facilitate my study, only a small series of structured questions were used to gather data. The structured questions of the interview collected data and provided insights from interviewees involved in the development process or that were in management positions with strategizing and decision-making power. However, the research aim and questions could not be adequately explored via structured interviews alone. I also gathered primary data through semi-structured interviews. Following Saunders et al. (2011), I found less-structured interviews adequate for better accessing the interviewees' perceptions, meanings, definitions of situations, and constructions of reality. The semi-structured format provided me with the flexibility to direct the conversation to specific lines of inquiry when desired. I also understood from Denzin and Lincoln (2011) that the structure of questions and wording are crucial when designing and preparing for interviews, in order to keep the interviewees more open to dialogue. Therefore, I created an interview guide and was careful to use terms and language familiar to the interviewees and linked to common terminology used in higher education (Guba and Lincoln, 1994). The interviews were conducted face-to-face and set up based on mutual time and availability. Due to time and resource constraints, I considered holding some interviews by telephone or via internet-supported communication tools. I refrained from using this option, as I was able to set up an in-person interview schedule with all relevant staff and students. I preferred face-to-face interviews as they gave me the opportunity to capture non-verbal reactions from the interviewees; these offer a deeper level of communication than is possible in technology-assisted interviews, which limits the richness of the communication channel between interviewer and interviewee (Patton, 2005). To improve the quality of the interviews, I reviewed current literature and practices associated with the subject matter in order to establish a more

detailed interview strategy. With the permission of the interviewees, I recorded the interviews and took notes to ensure an accurate record of what was discussed and to demonstrate reliability of the data. In some interviews, I changed the order of questions, depending on the organisational context and conversational flow. Moreover, I added questions to explore new lines of inquiry identified during the research process. Particularly after the first interviews, I developed a set of additional questions on concepts that became evident during the first two case studies (see Appendix 5: Interview Guide).

During the interviews, I raised questions concerning the school's strategies, policies, faculty, and programme development as well as research activities in the context of responsible management education and in response to the EQUIS accreditation standards and criteria on ethics, responsibility, and sustainability (see full set of interview questions in Appendix 5: Interview Guide). My objective was to draw primary data through semi-structured interviews as these types of interviews can best address the position-specific definitions and understandings of the varieties of academic and administrator roles in business schools. Each interview started with the same three opening questions, followed by a set of specific questions that reflected the different area(s) represented by the respective interviewee. Each interview lasted between 30 minutes and 2 hours, depending on the person interviewed as well as whether it was an individual or group meeting. With the permission of each interviewee, I recorded each interview while assuring confidentiality and promised that all data would be principally reported in aggregated form. I also guaranteed that from the study, it would not be possible to identify either the interviewees or their institutions.

Following each interview, I reviewed and reflected on my notes by summarising key data and reporting on commonalities and contradictions compared to the document review and other interviews. I also noted any additional questions, observations, themes, or impressions that emerged during the interview. The recording and subsequent transcription of the interviews allowed me to capture the interviewees' answers in their own

terms. Following the transcription process, I reviewed the content for accuracy by comparing the transcripts to the audio recordings.

4.5.3. EQUIS Accreditation Criteria and ERS

In my research, I used the new EQUIS standard as a framework to evaluate how ERS has been implemented and developed across different business school areas. In 2013, EQUIS revised its accreditation standards and established criteria for integrating ethics, responsibility, and sustainability into all aspects of management education. The new standards suggest that ethical, responsible, and sustainable behaviour should be an integral part of a business school's strategy and governance, as well as be reflected in its regular research, teaching, and service activities (EFMD, 2016a). The EQUIS standards and associated criteria are grouped into ten chapters covering the major business school activities that are reviewed during the accreditation process. The standards examine seven activities, with context and strategy at the core, plus three transversal elements related to all other activities: corporate connections; internationalisation; and ethics, responsibility, and sustainability. In discussing ERS development and integration into business schools, I use the structure of the EQUIS standards as a guideline. ERS demands are specified in detail in Chapter 9; however, the different areas will be taken up as treated in all 10 EQUIS chapters, starting with Context, Governance, Strategy (EQUIS Chapter 1) and running all the way to Corporate Connections (EQUIS Chapter 10). The quality and quantity of ERS-related paragraphs emphasise the importance of that area to EQUIS.

4.6. Data Analysis

Qualitative research is derived through either a deductive or an inductive approach. While the deductive approach seeks to support an existing theory through the research findings, the inductive approach aims to build a theory that is adequately grounded in the collected data. The deductive approach suggests making use of an existing theory in order to formulate my research questions and objectives, but also to use the research design and to organise

and direct the data analysis. This approach has been debated in academic circles. Bryman (2012) argues against the use of deductive research because of the likelihood of a premature closure that is introduced at an early stage of the research. He also highlights the risk that the theoretical construct is far from the view of the participants, which may create contradictions and a wrong interpretation of findings (Bryman, 2012). Thus, my research commenced from the inductive approach, which links research findings with different hypotheses by first collecting the data, and then performing an analysis to determine which issues and theory should be further explored and linked. Bearing in mind that Yin (2013) warns the inductive approach may not be a successful research strategy, especially for inexperienced researchers, I defined focus areas for the fieldwork, interviews, and desk research as well as a semi-structured interview questionnaire in order to enable valuable research outcomes.

Due to a relatively unstructured data collection, many researchers that use qualitative methods experience a data overflow in the beginning of their research (Cohen et al., 2000). To avoid a data overflow, I followed the constant comparative approach from Cohen et al. (2012) to analyse my qualitative research data material. I also utilised the following research guidelines from Bryman (2012) for my qualitative analysis:

1. Describe principles and procedures for data organisation and analysis, which enables the reader to understand the research results.
2. Identify the various categories from theory or preconceptions in advance that helps merging data from different sources in the analyses phase.
3. Identify the principles that organise the presentation of the findings.
4. Draw and verify the findings and conclusions.

4.6.1. Coding

Qualitative research allowed me to perform an early analysis of the data during the collection process. The analysis led me to the adaptation of research areas and interview questions in order to identify additional patterns

in each case institution. The data collection and analysis process appeared to be an on-going interactive process that linked the data from the transcripts, notes, and documents to new nodes and sub-nodes. These themes were added to the interview guide for potential future interviews. According to my research design, a number of initial categories for content analysis were identified, such as governance and institutional strategies, programmes, faculty, and research development. By using open coding, I was able to track and code the collected data (nodes) by linking the findings from the desk research with the comments and findings from the recordings, transcripts, notes, and internal documentation. Open coding allowed for a thematic analysis of the data. When additional sub-themes emerged during the research, I added those to the sub-nodes, located in the original nodes.

4.6.2. Nodes and Sub-Nodes

For better structuring of the large amount of data collected in the document review and interviews, I clustered the main data into seven thematic groups (nodes). All of the seven thematic groups consist of a number of individual themes (sub-nodes), which appeared as important data that informed the key research findings and discussions. By clustering nodes and sub-nodes, I followed the indicated research methodology that linked the findings with the research questions and opposing views; by collecting and analysing the data, I was able to find out which issues and theories should be further explored and linked to the key findings. The nodes and sub-nodes were identified according to the research design to facilitate data tracking and coding and to better structure the content analysis of the empirical work. The nodes allow for the linking and comparing of data from the document review with the aggregated data from interviews, transcripts, and notes. This research method allowed me to perform an early analysis of the data and enabled me to identify new nodes based on these early findings. The new themes were added to the interview guide, which supported an on-going interactive process between interviews, document review, and transcripts during the empirical study.

4.7. Ethical Issues

Access and ethics are critical aspects in research, especially if the researcher has only limited experience in the research practice. According to McNeill and Chapman (2005), the analyst must always think carefully about the impact of the research in order to defend the subject and the area of the research. Qualitative research potentially leads to a greater range of ethical concerns in comparison to other methods (Patton, 2005), and these concerns occur at all levels of the project: during the data collection, the analyses, and the final reporting phase (Saunders et al., 2011). Following Denzin and Lincoln (2011), research ethics refer to the appropriateness of the researcher's behaviour in relation to the rights of those that are being affected by the research. Therefore, potential ethical issues should be considered and recognised in the research proposal (Saunders et al., 2011). An important area of ethical concern is also associated with inter-dependencies (power relations) that exist between the researcher and those who provide access to information.

I understand my researcher role as described by Denzin and Lincoln (2011) to be an external position with respect for the person, knowledge, democratic values, quality of educational research, and academic freedom. My research involved different actors within the case schools, but also from the EQUIS Quality Service Department and ERS Task Force. The institutions and EQUIS provided unlimited access to data in the form of internal reports, strategic documents, minutes, financial reports, and most importantly, audit documentation (such as EQUIS Self-Assessment Reports). The case institutions also provided me with full access to their physical premises during the on-site visits and interviews, which allowed me to move independently on campus.

I am aware of potential implications and the political dimension of this study, as I understand well the interdependencies between the accreditation body and the case institutions. Business school accreditations are generally a case-sensitive subject, due to the high level of competition in management education and the influence that accreditations have on business schools' development (Beehler and Luethge, 2013). According to Bryant (2013), the

schools' success, image, and values link immediately to accreditations such as EQUIS, which is one of the most sought-after "quality seals" in management education. I am also aware that my study provides potential harm to interviewees who, by responding to the interview questions, openly shared their personal views on the different subjects and also provided (in many cases) confidential information. If interviewees can be identified, they may risk direct implications in their work and potential conflicts with colleagues or supervisors. There is also a risk that some interviewees would face disciplinary actions, if comments could be traced directly to them. In addition, my study may also potentially harm the organisations and institutions that were the direct subjects of the research, such as EQUIS and the case institutions, but also other context-related organisations (e.g. AACSB, GRII, PRME). The data collection as well as key findings may harm individual case institutions, if readers are able to link and contextualise the content of this study directly with a school or organisation. In this case, schools could face critical questions from internal and external stakeholders and may risk damaging their reputation. Some particular key findings (especially if decontextualized) can be misinterpreted and therefore harm both, EQUIS as well as the case institutions.

During the initial phase, when I began communicating with the case institutions and the persons that would be involved in data provision and in the interviews, I used the highest level of transparency. I provided a written summary of my research outline to the institutions prior their engagement and sought full agreement in writing on research cooperation while clearly informing the subjects on potential conflicts and risks. In order to mitigate the potential harm that could occur to institutions and individuals participating in this study, I have carefully stored all data and research outcomes on my personal computer, which only I can access. In the storage, all data, such as interviews and documents, are coded and cannot be linked to the involved institutions. I also gave each case institution generic names (School A, School B...) and avoided indicating any name of interviewees or titles. The data collection, the findings section, and final discussions carefully avoid indicating any institutions or interviewee and it will not be possible for a reader to trace

the case institutions or interviewees' identity. To also reduce potential harm that may occur in this type of research, I guaranteed full confidentiality and anonymity to EQUIS, the case institutions, and individual interviewees. Potential future publication of any part of the thesis will be subject to a re-evaluation of those risks and will not be permitted if they are still valid. As a DBA student and research member, I comply with the data storage and legal requirements of the University of Bath.

4.8. Research Question

I defined the central research question according to the research gap identified in the literature review. The central research question is supported by a research aim and two sub-questions, which allowed me to develop a robust research design and to generate more specific interview questions. This approach also demonstrates that the interview questions emerged from the research questions, confirming the methodological links between the interview protocol and the literature.

Central research question: How do European business schools with different governance structures ²⁸ respond to the EQUIS accreditation standards established in 2013, with the focus on Ethics, Responsibility, and Sustainability (ERS)?

Underpinning research questions: **a)** How did EQUIS develop the new ERS standards and criteria? **b)** What are business schools' responses to the EQUIS ERS standards in the areas of institutional strategies, programmes,

²⁸ The case institutions represent the following four main models of European business and management schools:

1. Public institution, university-embedded
2. Public institution, stand-alone
3. Private institution, university-embedded
4. Private institution, stand-alone

faculty, research, and development, as well as responsible management education at large?

Research aim: Explore the impact of EQUIS on the development of responsible management education in European business schools.

Opposing views: The following two opposing views frame the research questions and are widely discussed within the literature on responsible management education, but also in the context of accreditations, rankings, and business school think tanks:

A: EQUIS accreditation is a progressive development tool, and is well designed to lead business schools in their ERS developments.

B: EQUIS creates only isomorphic changes, and the new EQUIS accreditation standards are only symbolic signals that will not create substantial change in business schools.

5. Chapter Five - Case Description

This chapter presents the outcomes from data collection, fieldwork, and desk research. While the first part describes the internal processes as well as strategies, drivers, and barriers of ERS development within EQUIS accreditation, the second part reflects on how the schools responded to the ERS-related accreditation standards. Focal points of the research follow the scheme of the accreditation standards. While EQUIS consists of ten different standards, specific areas emerged during the fieldwork as most relevant with regard to the research questions and linking the case institutions to the methodology and theoretical frame of this thesis. While I investigated all areas of each school and had access to a large amount of institutional data through documents and interviews, I decided to focus on the institutional strategies and governance, barriers, and drivers for ERS developments, the school's relation to the EQUIS accreditation, and ERS in programme development, and finally to assess how ERS resonated with faculty, research, and development.

Each case review began with an assessment of all institutional strategies, documents, accreditation reports, websites, and other external communication material in preparation for the on-site visit. The interview schedule was set up and organised by the office in charge of quality assessment and accreditation, following an initial indication of interviewees that I wished to meet. The research at each case institution created a large amount of data, as all four schools were highly cooperative and transparent throughout the project. I stayed three full days within each school, which gave me time to bond with interviewees and create an atmosphere of trust. Knowing some of the management of the schools as well as some of the staff and faculty members also helped to open doors and establish constructive exchanges. Most interviewees openly shared their views and there was a large degree of consistency in the information provided at each institution. I have been granted access to all documents that normally remain confidential; the

schools found the research project from the beginning very interesting and relevant, and thus cooperated fully on all levels.

The selection of data presented in this chapter is the outcome of a thorough review of information extracted from a large amount of documentation and through in-person interviews. While documents such as EQUIS Self-Assessment Reports gave a clear overview on developments and what is reported back to the accreditation agency, I found the interviews most compelling and revealing as they allowed me to engage with the management, students, and academic and professional staff in each case institution—and they often gave a different or more complete picture than a written report can do. Therefore, I used data from interviews more extensively in this chapter, to describe the case institutions in response to the research questions. Chapter Five and the following chapters consist of a number of quotes from transcripts of interviews as well as document reviews. Some of the interview material won't be grammatically correct as only few people speak consistently in a grammatically correct fashion and the interviews were mainly held with non-native English speakers. In obvious cases of wrongly used language, I have added a “[sic]” behind the concerned sentence.

Chapter Five is a neutral case description and a collection of the most relevant data, without interpretations or discussions. This chapter is the starting point for the following chapters, which will engage in cross-case analyses and the assessment of the research findings. Thus, Chapter Five is the essence of the research that is needed to develop findings, draw relevant conclusions, and enter the final chapter that will provide discussions and recommendations on the subject matter.

5.1. Introducing ERS in EQUIS

As discussed in earlier chapters, EFMD introduced in 2013 the revised accreditation standards and criteria with a new transversal chapter on ethics, sustainability, and responsibility. In addition, each chapter of the accreditation

standards integrated an ERS-relevant question to cover all areas of the schools' strategic development.

The research focus of the first section lies on the following main areas: (1) strategies, development, and implementation processes; and (2) internal and external barriers. The central research question for this part of the analysis was:

How did EFMD/EQUIS develop the new ERS standards and criteria?

- a) What was the development process of ERS standards within the EQUIS accreditation criteria?
- b) What were the internal and external barriers and drivers during the development process?

The data sources came from interviews with managers of EFMD's Quality Service Department and members of the ERS Task Force, an external committee that EFMD created to seek advice for the development and implementation of ERS-relevant content in the EQUIS accreditation standards. Additional data was drawn from reviews of documents, policies, and reports that described the development process of the in 2013 established accreditation standards.

5.1.1. Strategic Development and Implementation Processes in EQUIS

Following the global economic crisis, EFMD was under pressure to use its influence in business schools to create more responsible management education. According to external and internal interviewees, the implementation of ERS-related standards in accreditation started to be on the agenda in EQUIS committee²⁹ meetings (committee members listed in

²⁹ The EQUIS Committee, composed of academic and corporate representatives, advises the EQUIS director on the strategic development of EQUIS. All major decisions concerning policy, standards and procedures are submitted to the EQUIS Committee for consultation. The EQUIS Committee normally meets three times a year at the request of the EQUIS director, who chairs the meetings.

Appendix 3: EQUIS Governance) in 2008, the year subsequent to the global financial crisis. “The frequency of the discussions increased over the years and has become more strategically in early 2010”, as one member of the committee expressed. However, the senior accreditation management, including the Quality Services Director at that time, expressed serious doubts on the importance of ERS in management education and did not support the development process until 2012. “There have been other trends in management education that appeared and disappeared, we cannot follow every ‘ideological’ movement.” (EFMD, Interview 1, EQUIS Management)

In 2013, the EQUIS committee formalized and approved the agenda for the implementation of ethics, responsibility, and sustainability criteria in the EQUIS accreditation standards, which was proposed by the ERS Task Force³⁰. The ERS Task Force was founded in 2012, with the mission to consult the EQUIS Quality Services Department on the development of ERS standards and criteria. The working group produced a proposal that was discussed during several EQUIS committee meetings, with the conclusion that “there was an agreement within the working group that the ERS standards have to be transversally implemented in all EQUIS accreditation standards”, according to one member of the task force. The working group reviewed the existing standards and added particular references to ERS in all 10 standards. The group also developed a new standard entirely devoted to responsible management education. The EQUIS committee and the EFMD Board (board members listed in Appendix 3: EQUIS Governance) quickly approved the implementation of ERS criteria in all EQUIS accreditation chapters, and additionally, the formulation of a single ERS standard. In February 2013, the new EQUIS standards were introduced to the business and management school community during the EFMD Deans and Directors meeting in Istanbul, Turkey.

³⁰ ERS Task Force was composed of Deans from the University of St Gallen, School of Management, CH; European Business School, DE; and at that time, the EQUIS Associate Director, BE.

Considering the reluctance within EQUIS to develop ERS criteria in the past, it came with great surprise that EFMD/EQUIS moved very fast and established far-reaching demands, which was unthinkable only two years ago. This can be seen as a very strong development, given that EQUIS accreditation, since its inauguration in 1997, only witnessed minor changes and adoption of its standards and criteria, but never underwent such a bold change (ERS Task Force, Interview 1).

The entire review and development process was finalised within the relatively short period of time of six months, and the interviewees described the process as “rather unstructured and with no clear strategy or guidance behind it”. The external interviewee, who was a member of the working group, underlined again “how fast and with no opposition (and substantial discussions) the proposal passed the EQUIS committee”. It appeared that there was no predefined strategy to develop ERS in EQUIS, and the development and implementation process was conducted in an overall consensus within the EQUIS Committee “that ERS standards have to be stronger formalized in the accreditation”.

5.1.2. Stakeholders, Internal and External Drivers, and Barriers

In response to the global financial crisis, many stakeholders in business schools “saw the need for a more holistic education, which is leading to a training of responsible managers”. One member of the ERS Task Force saw:

SPEAKER 1: ...a growing demand to include ERS in all standards of business school accreditations, which came from different stakeholders within the schools as well as the society as a strong driver that demanded change in business schools’ education and accreditations, in response to the global financial crisis. Ultimately, the crisis itself appears as a driver for change, which also forced the accreditation body like EQUIS to review its standards and criteria.

SPEAKER 2: Business schools and their accreditations saw themselves confronted with increasing criticism that came from external sources such as media, governments, and funding organisations, but also from faculty and administrative staff (ERS Task Force, Interview 2).

The document review confirmed that the pressure for change came from stakeholders such as students, but also from employers, companies, and corporations that had a strong interest in the teaching, learning, and research

outcomes of business and management schools. There is an uneven split in the member base of EFMD, according to the interviewees.

The members are divided into (a) institutions that believe in the change of accreditations to guide schools towards a more ethical, responsible, and sustainable model, (b) schools that respond rather neutral to this subject, and (c) schools that are opposing such change and see neither relevance nor importance (EFMD, Interview 2, EQUIS Management).

How the member institutions are distributed into the three different groups is not clear and would require a more in-depth analysis. All interviewees shared the view that internal drivers within EFMD that are supporting the implementation of ERS criteria have been limited, aside from some individual attempts.

Organisations such as the Globally Responsible Leadership Initiative (GRLI), the UN Global Compact (UNGC) and Principles in Responsible Management Education (PRME), the Academy of Business in Society (ABIS), the Peter Drucker Forum, and Net Impact pressured the EFMD to review its accreditation standards. Business schools as well as employers, corporations, and society at large were seen as external drivers for EFMD's change of EQUIS accreditation standards. While most of the drivers seemed to come from external sources, "The barriers for change were partly found inside of the accreditation organisation, but also within the large pool of EFMD member schools", according to one interviewee from the ERS Task Force. "Especially, EFMD's accreditation department was sceptical towards the plausibility and necessity of integrating ERS into the standards", which was explained with the varying interests from business school members. According to one interviewee:

EQUIS staff members on different levels questioned the importance of ERS in management education and accreditation. Also, the decentralized organisation of EFMD, with limitations to transparency and decision-making processes, created barriers (EFMD, Interview 2, EQUIS Management).

EFMD's hesitation to foster the change process is explained with the lack of support and opposing demands from the majority of its member schools.

According to EFMD staff, resistance came from a large group of business and management schools, “which did not see ERS as a priority of their mission and vision”. Some Deans of business schools and their colleagues in senior management and faculty strictly opposed the importance of ERS from the beginning of the debate. EFMD was confronted with criticism from certain of their members, stating that, “ERS is often perceived as a somewhat ‘socialist dogma’, which should not be part of a business school’s portfolio”, while other schools seemed to be more open and advanced in the inclusion of ERS in management education. However, in many schools, “External stakeholders changed their perception towards ERS, following the pressure that came through public debates and the changes within stakeholders interest”.

5.1.3. ERS Elements in EQUIS Standards and Criteria

Following the internal review process, EQUIS redefined its accreditation standards. ERS criteria are implemented in all standards, while Chapter 9 consists only of assessment criteria in the areas of ethics, responsibility, and sustainability.

The paragraphs below outline the references to ERS within all ten standards as well as key related questions indicated by EFMD in the Standards and Criteria. These questions also informed the interview questions used in the case study.

EQUIS Standard: Chapter 1 – Context, Governance, Strategy

Specific to ERS:

The School should be able to demonstrate that it acts as an ethical and responsible institution in society, that it is built on principles of effective and responsible governance and that it demonstrates explicit concerns for promoting sustainable behaviour in the environment it operates in.

The School should explain its current strategic positioning. EQUIS will in particular look for evidence that the School takes explicit account of issues related to ethics, responsibility and sustainability.

Key ERS questions asked in the Standard:

- a) *Are ethics, responsibility and sustainability integrated into the School's mission and vision?*
- b) *Does the School have an explicit policy and strategy for ethics, responsibility and sustainability?*
- c) *Are policy and strategy broadly communicated and known among the School's stakeholders?*
- d) *Are adequate resources allocated in support of this strategy?*
- e) *How does the School apply to itself the principles of ethically and responsible governance? (EFMD, 2016a, pp. 7-14).*

EQUIS Standard: Chapter 2 – Programs

Specific to ERS:

Ethics, responsibility and sustainability should be integrated into the design, delivery and assessment of all programs offered by the School.

Key ERS questions asked in the Standard:

- a) *Does the program design and content explicitly include aspects of social responsibility?*
- b) *Describe how ERS are integrated into the design, delivery and assessment of the School's degree programs?*
- c) *Are there programs that specifically address questions of ERS? Describe their orientation and content.*
- d) *How are ERS integrated into the other programs? Describe their content (EFMD, 2016a, pp. 16-24).*

EQUIS Standard: Chapter 3 – Students

Specific to ERS:

An essential function of all institutions of higher education is to facilitate the intellectual, social and personal development of students in preparation for their future lives as responsible and creative citizens.

A further expectation is that the School will educate its students to act ethically in their professional lives. Values such as integrity, respect for others, socially responsible action, service to society should be an integral part of the personal development agenda.

In sum, business and management education institutions play a key role in developing personal awareness and the appropriate attitudes, values, skills and behaviours to equip students in their professional lives as managers.

As a consequence, the educational experience organised by the School should go much beyond classroom instruction and provide students with structured and monitored opportunities to develop the

personal and professional qualities that have been defined as learning outcomes.

Key ERS questions asked in the Standard:

- a) How are ERS integrated into student recruitment, admissions and management (e.g. scholarships, awards, diversity)?*
- b) How are challenges relating to ERS integrated into the personal development of students?*
- c) What are the curricular and extracurricular engagements of students in the areas of ERS?*
- d) What student organisations and initiatives are focused on these areas?*
- e) How do School and faculty support these activities? (EFMD, 2016a, pp. 28-34).*

EQUIS Standard: Chapter 4 – Faculty

Specific to ERS:

The School should have an HR strategy, including a faculty development plan, linked to its strategic agenda and supported by an adequate budget. The School's faculty development plan should also reflect the institutional objectives with respect to ERS.

Key ERS questions asked in the Standard:

- a) How does the School integrate ERS into faculty training and development?*
- b) How does the School recognise and support the community and public engagement of faculty? (EFMD, 2016a, pp. 36-40).*

EQUIS Standard: Chapter 5 – Research & Development

Key ERS questions asked in the Standard:

- a) How does the School integrate ERS into its research activities?*
- b) How does the School integrate ERS into its development and innovation activities? (EFMD, 2016a, pp. 24-47).*

EQUIS Standard: Chapter 6 – Executive Education

Key ERS questions asked in the Standard:

- a) How does the School integrate ERS into its executive education activities?*
- b) Are there activities that specifically address questions of ERS? Describe their orientation and content.*

- c) *How does the School measure the impact of its activities in the area of ERS?* (EFMD, 2016a, pp. 51-56).

EQUIS Standard: Chapter 7 – Resources & Administration

Specific to ERS:

The School should describe how it integrates ERS into its infrastructure planning and management, its operations, administration and staff training and development.

Key ERS questions asked in the Standard:

- a) *How does the School integrate ERS into its infrastructure planning and management (e.g. waste management, energy management)?*
- b) *How does the School integrate ERS into its operations (e.g. purchasing, transportation)?*
- c) *How does the School integrate ERS into its administration (e.g. general HR policies, workforce diversity)?*
- d) *How does the School integrate ERS into staff training and development?* (EFMD, 2016a, pp. 58-62).

EQUIS Standard: Chapter 8 – Internationalisation

Specific to ERS:

The School should have a clearly articulated strategy and policies for internationalization that includes ERS. It should demonstrate its commitment to educating and preparing students and participants for management in an international environment. This should be underpinned by active collaboration with international partner institutions in fields such as student exchanges, joint programs, research activity and corporate connections. The School should be able to attract students and faculty from other countries. It should carry out research of international relevance and scope.

EQUIS Standard: Chapter 9 – Ethics, Responsibility & Sustainability

Specific to ERS:

The School should have a clear understanding of its role as a “globally responsible citizen” and its contribution to ethics and sustainability. This understanding should be reflected in the School’s mission, strategy and activities. There should be evidence that the School’s contribution is reflected in its regular activities, covering education, research, interactions with businesses and managers, community outreach and its own operations.

Explanations provided in the Standard:

Ethics refer to the School's behaviour that should be based on the values of honesty, equity and integrity. These values imply a concern for people, society and the environment and the commitment to encourage and promote ethical behaviour of its faculty, staff and students by identifying, stating and applying standards of ethical behaviour in the School's decisions and activities.

The essential characteristic of responsibility is the willingness to incorporate broader social and environmental considerations into its decision-making and to be accountable for the impacts of its decisions and activities on society and the environment. Responsibility is closely linked to sustainability.

Sustainability is about the social, environmental and economic challenges and goals common to society as a whole and the planet. It refers to issues such as sustainable resource use, sustainable consumption and developing a sustainable society and an economy.

This implies that responsible and ethical behaviour should be an integral part of the School's values and strategy and should be reflected in its regular activities. In particular, it should act as a catalyst for the development of business communities, as a forum for debate, and as a source of dissemination of new ideas and solutions. The School should be actively engaged in promoting business ideas and solutions to sustainability challenges. This implies that faculty, staff, and students are encouraged and supported to participate in these activities as an integral part of their professional engagement.

It is important that attention is paid to the issue of responsibility and sustainability in the business world, as a matter of both policy and practice. The concern for responsibility and sustainability must be evidenced not only in the School's approach to management education, but also in its research, its public outreach and its own behaviour. Evidence of this commitment to responsible and sustainable business practice is also requested in the other chapters.

Key ERS questions asked in the Standard:

- a) *What is the School's strategy for ERS?*
- b) *What is the evidence that ERS are reflected in the School's mission, governance, strategy and current operations?*
- c) *What are the School's formal commitments to ERS?*
- d) *How does the School integrate ERS into its educational offerings?*
- e) *How does the School integrate ERS into its research and development activities?*
- f) *What are the School's overall contributions to the local and global communities in the area of ERS?*
- g) *What is the School's role in serving as a catalyst for fostering the ethical, responsible and sustainable development of business and society?*

- h) How does the School integrate ERS into its contributions to the business community and the wider society?*
- i) What services does the School provide concerning ERS to the management profession?*
- j) How does the School integrate ERS into its contributions to the academic community?*
- k) What is the School's policy for faculty and staff involvement in ERS?*
- l) How does the School integrate ERS into its communications?*
- m) What are the key changes in the School's activities regarding ERS in the past 5 years?*
- n) What is the School's overall contribution to the local, national and international environment, its role in developing the community and in acting as a catalyst for debate and dissemination of knowledge? (EFMD, 2016a, pp. 68-70).*

EQUIS Standard: Chapter 10 – Corporate Connections

Key ERS questions asked in the Standard:

How does the School contribute to the ethical, responsible and sustainable development of businesses and business practices? (EFMD, 2016a, pp. 71-72).

5.2. School A: Stand-Alone – Public

In the matrix of the four different case institutions that are part of this research, School A represents the stand-alone (autonomous) business school, which is mainly publically funded and its education and research focus lies within the fields of business, management, and economics. For easier reading, understanding, and classification, the school is abbreviated in this and the following chapters as “School A”. The school has status as a public university, and it is an autonomous institution that is not part of a larger entity. School A was founded in the early twentieth century as a private institution and became a public university as part of the country's university system in 1965. School A is located in one of the Nordic Countries, with an urban campus and several individual buildings.

5.2.1. Country Context and Environment

National: Higher education has been in a transition phase since 2003 in the country of School A, when a new “University Act” completely changed the governance structure. The new governance structure was based on university boards that are appointed by the Minister of Science, which was a change from the former system with an appointed management at all levels. The act meant that universities must have Rectors appointed by the Board, and Deans and Heads of Department appointed by the Rector. In short, the governance structure became more in line with traditional professional management. The Ministry of Higher Education started a university transformation process in 2003, which was followed in 2006-2007 by a national process that reduced the number of universities from twelve to eight through mergers and the transfer of a large number of special government research institutions to the universities. School A was not part of the merger process, but retained its status as an autonomous institution. Instead of engaging in a national merger, the school proposed to advance its reputation and overall quality through a focused international strategy based on partnerships with top international business schools and supplemented by cooperation with national universities in areas of potential synergy. Thus, School A is today one of the eight public universities in the country; five of these are comprehensive universities, while three are specialised mono-faculty institutions.

The financial crisis that started in 2007 had a strong impact on the country’s economy, which led to a rise in unemployment and a drop in housing prices. Because of the economic crisis and the increased public finance deficit, the government introduced budget cuts to reduce the national budget deficit. These cuts affected the higher education sector; thus, School A faced income cuts from public sources. In consequence, the school had to lay off in 2015 10% of its faculty and staff members while reducing the programme portfolio. In addition, a new performance-based financial allocation model was introduced in the higher education funding scheme, and a percentage of the research funding allocation was based on publication numbers and quality. This situation underlined the need for finding additional income sources in the

immediate future. However, the number of applicants to School A has been steadily increasing over the years, and no decline has been experienced. This can be related to the current global economic crisis, which in many countries has led to an increase of student enrolment, especially at the postgraduate level, as many students try to improve their CVs and hope for better job opportunities in the years after graduation. Thus, the application numbers increased, which is mainly explained by a difficult labour market that keeps graduates from finding adequate jobs.

National Position of School A, Facts and Figures

- Most attractive supplier of business education in the country, with a market share of more than 50%
- Highest admission grades of all university programmes across all disciplines in the country
- Continuous increase in application numbers
- Graduates with top placements and high salaries
- Largest international programme offerings (teaching delivered in English and student exchange with international universities)

International: School A faces an international environment that is influenced by the following global challenges in management education, some of which affect the institutional environment while others influence the competitive situation within the specific educational markets in which School A operates:

- Growth of the management education sector
- Balancing global aspiration and local needs
- Quality assurance
- Sustaining scholarships
- Aligning with future needs of organisations

International Position of School A, Facts and Figures

- One of the world's largest business schools
- 400 core faculty, and 500 part-time faculty, and with almost 200 PhD students

- World's largest suppliers on the increasing market for pre-career Masters
- Programme portfolio among the broadest in the business school area, from elite to mass education
- Member of various prestigious international business school networks
- Large network of international academic partners
- Diverse recognition through various national and international accreditations and listing in top places on most important business school rankings

The growth of management education also means an increase of competition at all levels. School A has experienced stronger competition for faculty and students due to increased mobility and faces a large group of international competitors in EU research funding.

5.2.2. Governance and Strategy

Both the document review and interviews with different key personnel show a consistent appearance of ethics, responsibility, and sustainability in School A's context, governance, and strategy. The school confirms a long tradition and commitment to responsible management education and clearly position itself as a "leading institution" in this field, in both the national and international markets.

Yes, you might say it [ERS] is quite important. It goes back to our latest strategy revision, which was in 2011, where we actually developed a new strategy called Business in Society. And the title of that indicates that we actually take seriously the notion that we need to develop graduates, candidates, who are knowledgeable about their responsibility as leaders in society (School A, Interview 1, Strategy, Head of Accreditation).

While the school consciously chose not to have a mission or vision statement ("we don't believe that a diverse and comprehensive school like ours can fit into one brief mission or vision statement"), the principal institutional strategy of the school, especially its Strategy on Business in Society, highlights the importance of ERS in all major development areas. The senior management team, lead by the Dean, has a solid understanding of the school's role in society and contextualises the institution's strong commitment to ERS with the

general importance of this subject in the tradition, culture, and society of the Nordic Countries.

We (the school) have the role of optimising the entire value of what we do to society. Not the value to the owners, being the business owners or the private sector, but simply the value to the society at large! ...it is the perfect fit for a business school in a responsible society within the market of a Scandinavian welfare state. And that is what business in society means; it means business for society, business schools with a societal responsibility. (School A, Interview 8, Strategy, Dean).

Various interviewees stated individually, "RME/ERS are in the DNA of the school, which started in the 80s and took form in the 90s with Business in and for Society". Interviewees often argued, "Scandinavian tradition and culture are the foundation for responsible management education as well as a guiding tool for the school's strategies".

...it is part of the whole atmosphere; it's part of the vision of the university. But at some stage, of course, we need to test it. Is it true that we build responsible managers? I think it is. But let me just repeat what I think are the four pillars of our society. The welfare state is a pillar, democracy is a pillar, competitiveness is a pillar, and education is a pillar. I think they are the four pillars of what we call our type, the Scandinavian type of democracy. And all of those, I think we (the school) deliver. (School A, Interview 8, Strategy, Dean).

Competitors/peers: Generally, the school understands all the national universities as their peers *and* competitors and sees little difference between the national institutions. Internationally, the school describes a wide range of peers and competitors, such as: ESADE (ES), St. Gallen University (CH), Aarhus University (DK), Babson College (US), York University (CA), BI Oslo (NO), Bocconi University (IT), Nottingham University (UK), and Copenhagen University (DK).

5.2.3. Drivers and Barriers

Throughout the interviews, the faculty as well as the university management were described as the main internal drivers for responsible management education. The strong interdisciplinary approach of the school with a diverse department structure, e.g. a large department of politics and philosophy, fostered "soft parts of management education". Many philosophers have been

recruited to School A since 2000, with the objective of developing leaders that understand their responsibility, their role in society, and their conduct as leading members of society.

So I think the main push came actually from faculty; a growing number of faculty members who had that interest, or had that background, humanitarian background more than a social science background. And our Dean supported that during that period, because he saw quite early that business schools should develop in that direction (School A, Interview 1, Strategy, Head of Accreditation).

The main driver of this process since the beginning has been the top management, which has made a clear commitment to responsible management, and it has found support from the faculty base and it has found strong understanding from the student body. However, I still consider the main driver being the top management. It started as a top-down approach, but the school is not a hierarchical organisation; there is continuous interaction between faculty and top management (School A, Interview 6, Director Bachelor Programmes).

Strong research links and ambitions of the faculty in the area of responsible management, paired with external demand from the country's society, seem to be the catalysts for RME. In particular, some individual faculty members started to engage in RME in the early 1990s and have driven the development through the present day. Together with student-led initiatives, a number of committed faculty members have strengthened the ERS and RME orientation of School A. In this context, the school's governance is often described as bottom-up, where students and faculty stir directions and lead development processes. In the beginning of the financial crisis, faculty members proposed further investments into structures such as a CSR centre and research platforms that focused on ethics, responsibility, and sustainability, which was supported by the school's management. Substantial funding was provided to advance and position the school in those areas. During the interviews, however, faculty is also mentioned as a barrier. Faculty members that engage in more traditional business school disciplines, such as finance, marketing, and economics, have shown particular resistance.

There have been many discussions about that all [ERS/RME] since it started, because it's all about resources, as you know. When we give resources to higher philosophers, for instance, we take the resources

from the other areas—and the School has always been scarce in resources; not poor, but still, we are a public university and we are depending on government grants—we need to make decisions on how to allocate these scarce resources (School A, Interview 1, Strategy, Head of Accreditation).

In this context, the Study Boards, which are responsible for curriculum design and course composition, decided against the introduction of ERS/CSR-related courses that were proposed by other faculty members. Study Programme Leaders said, “... we do not do that...”, but students and teachers gave different responses (“...we can’t hear that (ERS) anymore...”) and often indicated that they didn’t understand or see the need for responsible management education. In contrast, other faculty members demanded more information and guidance on how to integrate ERS in their course curriculum (“education of the educators”).

While internal stakeholders are well evaluated, the question on how external stakeholders such as employers react to ERS education has not been much assessed. However, the quality management team mentioned changes in the political system as an external driver. In the 1990s, the Green Party became part of a centre-left government coalition that encouraged companies to adopt ethics, responsibility, and sustainability in order to make “business more likeable or acceptable within the society, because you don’t want to just make money for the sake of making money and just look away from all the other things that are going on” (School A, Interview 1, Strategy, Head of Accreditation).

During the interviews, respondents often stated that the status and governance of a public institution supports the ambition of the school to engage and promote ERS/RME, in comparison to a private business school.

I think one of the more important roles of public universities in our society is to make sure that [societal] values are handed in a responsible way on to not just the next generation, but to the next generations, i.e. built into our education. It’s an investment in a sustainable society. And I’m not talking about sustainability in the traditional way; it’s also an economically sustainable society. So in my view, it’s part of being a little more long-term than the immediate

quarter result, but looking one or two generations down the road (School A, Interview 8, Strategy, Dean).

5.2.4. EQUIS

Throughout the interviews, it became quite clear that EQUIS played only a limited role in driving and guiding School A in the ERS development process.

Zero change! We didn't actually need to change anything to meet the standards. We had that activity going on for some time when the standard came up. So actually, I would say it's rather—perhaps we have been contributing to that change in the standard rather than the other way around, I would say. It was a better way of representing the school—so the school fitted better into the EQUIS standards (School A, Interview 1, Strategy, Head of Accreditation).

EQUIS accreditation is often described as an outside quality framework that creates pressure for change. However, EQUIS is largely not regarded as such within the school's academic and administrative management. While strong references are made to the UN Principle of Responsible Management Education (PRME) as well as the Association of Business in Society (ABIS) and the Corporate Knights Business School Ranking, EQUIS seems to have limited impact on responsible management education in School A. The institution started much earlier with the development of RME and “feels over-compliant” in regard to EQUIS accreditation standards and criteria in ethics, responsibility, and sustainability. The school always refers to the PRME principals as its guiding tool for RME development.

All what we do has little in common with accreditation standards. If EQUIS would have come up in 2009 or 2011 with the ERS standards, we could have leveraged on EQUIS instead of PRME, but 2013 was too late for us. In 2007, we were looking for an authority figure and PRME was a good reference point and guiding tool (School A, Interview 2, ERS Faculty).

Research and document review further confirms that School A has an unusually strong and well-funded support structure that provides guidance and tools for ERS development in courses, research, and projects.

5.2.5. Programme Development

ERS as a subject is integrated within different programmes and courses in School A. The school engaged in mapping all programmes and selected courses that were adequate for implementing ERS-related content. A task group was created in 2015 with the mission to consult faculty members in the exposure of existing ERS segments in their course curriculum and to consider the development of new components when reviewing the material. In School A, ERS serves as a course theme or discipline, but not as a stand-alone core course. For example, multiple elective courses exist in the area of CSR and ERS, but there is no designated ERS course. While some proposals were made in the past to create designated ERS courses, the senior management and some faculty members did not succeed with the development of such courses. The study board rejected the attempt, as the board members didn't feel the urgency and appropriateness and "there was a fear that ERS-related courses may overtake other courses":

I would say that if you look at the individual course, for instance in economics, then probably you will not find much difference in such a course at our school compared to the similar course at other business schools. So at the course level, I'm not sure that you, in all courses, can see a track of social responsibility in the course. But if you look at the programme level, you'll see that there are courses focusing on the responsible management area that are playing a larger role than you'll find in many programs at other business schools. So it's not melted into each and every course, or even each and every lecture, but you'll have some trace in some courses, and you will have an overall profile of the programme that has more focus on these areas (School A, Interview 1, Strategy, Head of Accreditation).

School A has no teaching policies or guidance on the subject, but faculty members are encouraged to include ERS in their course content. Aside from student evaluations, there are neither formal processes nor an adequate assessment structure. In the past, however, the school offered a course on business ethics that was funded by corporate donors. In return, the donors received preferred access to graduates of the programme. This course was cancelled when private donations became limited and public funding was reduced due to the financial crisis:

I think if you look at the whole profile and portfolio, there's something for every taste. If you want to be a hard-core economist, focusing on finance, you can actually find programs that are in that direction, that are focusing on that. And you can also, if you want to be softer, more oriented towards society, you can find programs that are focusing much more on that. You'll not find a course where the hero would be Milton Friedman alone, 'the sole corporate social responsibility is to maximize shareholders' value.' Especially the full-time MBA programme has a brand internationally as an MBA that is not a green MBA, but it's a responsible management MBA, and that's one of our brands when we recruit people internationally (School A, Interview 1, Strategy, Head of Accreditation).

On the programme level, EQUIS has little impact; Programme Directors are not concerned about the changes that EQUIS implemented in 2013. Instead, Programme Directors referenced PRME for ERS developments and see no direct link to EQUIS:

...it is the office of the Dean that deals with it, we do not engage in self-assessment reports and accreditations at all. ...I don't believe much would happen, if the school would decide tomorrow to leave EQUIS accreditation. EQUIS and the ERS standards were not a huge topic in the programme design or in curriculum development. But it was rather a strong support argument to hold onto the course to integrate ERS in the programme. (School A, Interview 4, Programme, Dean of Education).

Furthermore, Programme Directors and the Dean of Education see a larger threat to ERS and RME in the on-going budget cuts that the school faced in past years. Doubts are shared whether the school will be able to maintain a diverse and high-quality faculty body. While interviewees largely agree that the school's graduates have a strong understanding of and commitment to ERS, the feedback from students asserted that there is too much repetition within the programmes. Generally, students indicated in interviews that they found little specific reference to and content on ERS in the course curricula. After more specific questions, they reported some topics that are linked to ERS or the wider context.

5.2.6. Faculty, Research, and Development

During the faculty interviews, the subject of ERS development in programmes and research was critically discussed. What was revealed in previous

interviews was confirmed in the areas of faculty, research, and developments: faculty members appear as drivers as well as a barrier for responsible management education. While some faculty members reconfirmed the relevance and importance of ERS and highlighted the work of the school's various centres and platforms, other professors called ERS "simply one function of many other core disciplines". One professor said that it would be "well possible to have five years of education at the school and hardly hear anything about ethics, responsibility, or sustainability". In the discussion, the different viewpoints from faculty members representing traditional business education courses were exchanged with professors located in soft areas such as communication and philosophy. There was agreement between the interviewees that ERS should be better integrated into each course, if this is a strategic objective (compared to developing a stand-alone core course in ERS).

Faculty members were also critical of the overall preparedness of students to become "ethical, responsible, and sustainable managers" in the future and see "room for improvement". Faculty members pointed out that despite hiring some leading RME professors, there is still little cooperation or link on ERS activities between the different departments, research centres, and platforms. Despite various incentive systems and funding sources, faculty members see a certain level of "fatigue" on the part of students and faculty when it comes to CSR and ERS development. In this context, faculty attests to good funding, especially for the research centres. One professor called it the "Chelsea model",³¹ wherein the school is "buying stars" that lead to a high visibility externally, but have little impact within the school's teaching and learning structures. The incentive system set up to manage faculty development "is compared to other business schools quite similar, what counts first are the publications in the A+ journals" (following lists such as ABS and FT).

Faculty further confirmed what was discussed in past interviews that EQUIS has little relevance to or direct impact on their research or teaching. They

³¹ Chelsea model: e.g. the football club that buys all top players from around the world.

suspect that EQUIS can be “a useful enabler for particular developments and to convince certain persons”, but the faculty has little direct contact with the accreditation standards and criteria. Thus, faculty is neither involved in contributing to accreditation documentation to a large extent nor in giving feedback to EQUIS on RME/ERS/CSR subjects. Faculty members indicated that they see international accreditation as a “necessary evil” that is largely a “branding and control exercise, directed by the senior management and administration, which is apparently important to remain competitive with other big international schools”. Academics also feel little involved in accreditation maintenance and developments that come out of the process.

Faculty members see the largest threats to ERS and RME in the financial situation of the school, or the funding schemes and political dependencies on which the school relies. Funding shortages and recent serious budget cuts are seen as a threat to management education and research as a whole. RME/ERS research has a long tradition at School A, which the Dean of Research links first and foremost to its interdisciplinary programmes and departments. The main drivers are individual faculty members and academic champions, but also the diverse structure of ERS platforms and centres paired with strong support from senior management. While most of the research activities engage in ERS-related topics, some highlight it more as compared to others (i.e. communication versus finance). The research strategy is strongly linked to the overall institutional strategy, “Business in Society”, with strong emphasise on RME/ERS/CSR research and development activities; however, the impact of those policies and strategies within the school are not yet measured or fully assessed. The Dean of Research explained an incentive system for research and publications in particular areas, such as business ethics, which the school implemented to link its faculty with the private and public corporate worlds. The school aims to link research and teaching with a policy requiring every faculty member to engage in both areas. During the interview, the Dean of Education mentioned potential threats to the current ERS research strategy, mainly by the weak public funding system, and linked this to the already “heated internal debate” about funding for a large ERS department, centres, and a platform system.

Again, the Dean describes the value of EQUIS as reputational, but not as a guiding tool for ERS developments in research. PRME seems to have a stronger impact on research and functions as a principal reference point.

5.3. School B: Stand-Alone – Private

School B is a specialised university institution recognised as a stand-alone, private, and non-profit business school. The school is nationally accredited and has the same autonomy as a multidisciplinary university. Founded in 1943, the school began by offering evening courses in accounting, statistics, and business-related subjects, and its transition into an academic institution occurred in the 1980s. In the predominantly public and state-run higher education sector, School B, as a private institution, has been a notable exception to the rule. The school has always relied on its own ability to generate funds and resources sufficient for operations and to develop further in the competitive national and international markets of management education.

During its first 25 years, the school was a limited company owned largely by a business family, but in 1968, it changed status from a limited company to a self-owned foundation. This allowed School B to receive partial government funding and enabled it to launch regular degree programmes and recruit permanent academic staff. Study programmes were expanded in length, research centres established, and full-time professors employed. During this period, the school launched an international MBA and Master of Science programmes; one of its key characteristics is that the school charges tuition fees, distinguishing it from national competitors. As an independent foundation regulated in the 1980s by the Act of Private Education, the school received the right to charge tuition fees despite receiving substantial state funding, which remains a unique model in the country. Hence, it is fair to claim that the school's development largely occurs on its own terms. The school's extensive expansion during the 1980s and 1990s, in terms of both student numbers and the programme portfolio, was supported through a number of

mergers with other national business and management schools. The mergers contributed to reaching “critical mass” with regard to student as well as academic staff numbers; by the end of the 1990s, the school received the right to grant doctoral degrees.

School B claims to have three main features: (a) a strong market orientation, (b) paired with the capability for innovation and (c) a strong international orientation. At present, the school consists of one main campus and three additional campuses across the country. As of 2016, some 18,728 students are enrolled across all programmes, with some 4,000 new Bachelor students joining the school every year. Out of the 18,000 students enrolled in the school, some 12,000 are Bachelor students. The school is considered as one of the largest suppliers of economic and administrative competence in its country, with more than 270,000 graduates since 1983. Core faculty from the “main campus” have responsibility for the academic standard of the programmes, examinations, assessments, and quality assurance measures. School B also belongs to the group of large European business schools with a strong emphasis on the internationalisation of programmes, faculty, and students. The school is recognised through national accreditation as well as EQUIS, AACSB, and AMBA accreditation, and it is well positioned in different business school rankings, such as the Financial Times and Economist rankings.

While the school has a strong recognition internationally, it is lacking national reputation, mainly for historical reasons. The school started as a vocational institution with mainly teaching, and had few applied research activities. It was considered to be close to industry and the corporate world, but was seen as an “outsider” in academia. This changed only in the late 1990s, when management decided to invest into research and reorganised the entire school, which was perceived as an “academisation” of the institution. During this period, the school invested in academic disciplines considered traditional in business and management education, in order to shape its reputation as an academically driven business school. Since 2000, the school has undergone a consolidation process; it has reduced the number of campuses from nine to

four, and it has also closed three Bachelor programmes and two Master of Science programmes.

After my visit, I can say overall that the school is a top-down managed organisation where most decisions are made on the senior management level; however, some initiatives come from faculty and students.

5.3.1. Country Context and Environment

The economy of country B is a developed mixed economy with state ownership in most areas, which has shown robust growth since the start of the Industrial Era. Much of the country's economic growth has occurred through the mining of natural resources, focusing on oil and petroleum production. Agriculture and traditional manufacturing have declined compared to service and petrol industries. The country has a high standard of living as compared to other European countries as well as a strongly integrated welfare system, which mainly relies on a financial reserve produced by exploitation of natural resources.

The country's higher education system is divided into a university sector and a college sector, consisting in 2016 of eight universities, nine specialised universities, and twenty-four university colleges. Both sectors are of similar size in terms of student numbers. There are a substantial number of private institutions; however, with the exception of School B, these schools have only small enrolments as compared to those of the public higher education sector. Public universities support more than 90% of the student population in the country. Most of the private institutions are foundations, either autonomous or part of religious groups. Within the context of the Bologna Process, national higher education reform was implemented in 2003, with Bachelor degrees (three years), Master degrees (two years), and Doctoral degrees. A further step was taken in 2005 to ensure greater equality between public and private higher education institutions by focusing more on quality in higher education. Evaluation of both public and private institutions is handled by a national agency for quality assurance.

Until 2016, the country was largely unaffected by the recent global financial crisis. Higher education enjoys robust public funding support, which contributes to a high level of employment and proportionally high level of education numbers. This is well described by an answer from one of the interviewees to the question, "What would be the immediate consequences of budget cuts?": "Asking that question, in our country in general, until a year ago, it was completely hypothetical. Because we haven't had a need to cut costs in this country for the past 20 years, so nobody knows how to do it." The country enjoys the second-highest GDP per capita among European countries and ranks as the second wealthiest country in the world. In 2015, *Foreign Policy Magazine* selected country B as the "world's most well-functioning and stable country", and its education sector is well ranked in the Programme for International Student Assessment (PISA) (Ray and Margaret, 2003). Recently, however, the country began facing an economic downturn; for 2016, the Organisation for Economic Cooperation and Development (OECD) predicted an increase in national debt and unemployment. This is mainly due to the country's export dependency.

5.3.2. Governance and Strategy

School B has a strong position and reputation in the international business school arena and is recognised as one of the largest business schools in Europe. This perception may not be the same in the national context, as some of the interviewees confirmed:

Nationally, we're known for producing many business candidates. And there is a perception that this is the place where you produce a lot of young candidates for business that are programmed to be short-sighted, profit-seeking, brutal business candidates...in some parts of society. The school has a strong brand name in the country, and many of course related to educating business candidates, but with a negative value attached to it. (School B, Interview 2, Research & Programme, Dean for Programmes).

The admission policy of the school, which allows virtually every student into the Bachelor programme due to low selection criteria (as long as the applicant pays the tuition fees), does not contribute to the school's reputation of the school as this may not attract the best-motivated students. On one side, the

school is seen as an inclusive organisation that gives opportunities to many students, and on the other side, it is seen as lacking a rigorous admissions process; thus, the quality of its students is lower than is found in other schools. With 85% of revenues coming through tuition fees, the school can be described as market-driven. Its business model is a non-profit foundation, but the public often sees it as a for-profit organisation. Low admissions requirements combined with high tuition fees differentiate the school from top national institutions, which in contrast have high entrance requirements for largely tuition-free programmes.

The school has some links to responsible management education and highlights in its strategy the commitment to “good leadership practices”. One of the four core values of the school is “respect, responsibility, and ethical awareness”. However, the document review, which included the last two EQUIS Self-Assessment Reports, policies, and strategy documents, as well as the school’s website and marketing and communications material, revealed limited information on the school’s engagement in ethics, responsibility, and sustainability. The institution’s six core academic fields are Marketing, Strategy, Organisational Behaviour, Business Economics and Business Law, Finance, and Economics, which do not link immediately to responsible management education. School B also entered the PRME network, but failed to submit a progress report in 2013; therefore, it was expelled as a PRME member institution. However, the school committed to submitting a new report in 2016.

In 2015, the school created the Sustainability Council composed of members from the faculty, student body, and senior management, with the mission to advise the school on the development of ERS/RME. The council was founded on an initiative of the Dean of the school and seems to have created a level of openness within the management team towards the need of a more thorough ERS strategy. The council “should inform faculty and students about how they can become more responsible and sustainable”, according to the Dean. Two meetings have been held since its founding, but at this stage, it is unclear how the council can and will influence ERS development within the school.

The document review and interviews with key personnel reveal some incoherence and inconsistency with regard to ethics, responsibility, and sustainability in School B's context, governance, and strategy. In the beginning, interviewees were quick to confirm a long tradition of and commitment to responsible management education; however, neither the document review nor interviews confirmed this positioning:

You can start with the Scandinavian society having focus on issues like this [ERS], but also the country's welfare state and so on and so on. But you can also narrow it down to the fact that the school has always been a business school with very strong ties to society and businesses. It's branded like the business community's business school. So we've always had a strong focus on how we impact our surroundings (School B, Interview 1, Strategy & Quality Management, Head of Accreditation and Ranking).

However, during the first interview and while discussing the integration of sustainability in programme development, one interviewee stated that:

...everything that goes into programme development and management here also has a very strong focus on sustainability, because we are essentially a foundation, a private business school. We're market-driven. We never start anything that's not financially sustainable (School B, Interview 1, Strategy & Quality Management, Senior Advisor to the Dean).

The following conversation with the Head of Accreditation highlights the report process and how the school shared the responsibilities for writing the ERS chapter in its EQUIS Self-Assessment Report (SAR):

INTERVIEWER: "What was the reaction on your side towards the new ERS standard, what was the reaction within the school?"

SPEAKER 1: "I had a meeting with the management team where I presented the new standards. I presented what in my mind was some of the challenges that we had to focus on, and then the Dean assigned responsibility among his management team for each and every standard. Of course, I worked with those individual members writing up the SAR, but basically, for all chapters, it was one of the top management team that was responsible. And in the case of the ERS standard, it was the Communication Director."

INTERVIEWER: "So, the Communication Director was in charge of writing the ERS chapter?"

SPEAKER 1: "Yes."

SPEAKER 2: “[The Director] is also a politician, so [the Director] can talk about a lot of things that don’t exist.” [Laughter]

In the same session, when asked more explicitly about the integration of ethics, responsibility, and sustainability in strategy, mission, and vision, the interviewee explained:

Our mission statement is very short and needs lots of explanatory notes, so you won’t find anything explicit in our mission statement. Our vision, it would be more implicitly in our vision, I guess. In our strategic plan, do we have it there? Yeah, I think it’s in there too (School B, Interview 1, Strategy & Quality Management, Head of Accreditation).

Competitors and peers: The school describes its main risk as a reduction in student numbers, which would consequently decrease its main source of funding. This is particularly dangerous for the school; it is strongly depending on tuition fees, which constitute 75% of the annual budget. The school therefore faces a related threat that its competitive advantage diminishes when national competitors start “copying” its model. Competing schools are Copenhagen Business School (DK), CASS Business School (UK), University of St Gallen (CH), Stockholm School of Economics (SE), WU Vienna (AT), Rotterdam School of Management (NL), and the Business Unit at the University of Cologne (DE). School B sees its largest competition in the international business school market, because the county’s students are increasingly choosing to obtain a degree abroad.

5.3.3. Drivers and Barriers

Some interviewees believe that School B as a private institution is better positioned to develop ERS than publically funded schools. It is argued that the school enjoys a greater degree of freedom, and thus is more flexible in its actions, and that the increasing demands of employers are driving the school to develop responsible management education. Throughout the interviews, participants exhibited a strong belief that “the contextualisation of ERS starts at a very early age, with children being brought up being fair to each other, taking care of their environment”; however, evidences that this is embedded in the school’s context, governance, and strategy is limited. During the

interviews, the Quality and Accreditation Manager described students as the main driver of ERS developments and observed no particular barriers, except “some people may be more indifferent than others...but I think also there, you do find the support, even from the faculty”.

During the interviews, department chairs were identified as barriers to ERS in research and development, as these managers often prioritized top researchers publishing in “A+ journals” that are highly ranked in lists (such as ABS and FT) over researchers publishing in lower-ranked journals. In order to better manage this environment, the school began hiring new Heads of department in 2012 and claims to have seen “gradual improvements”. The school’s top-down management approach may also create barriers with decision-making authorities on academic boards, the senate, and the quintessential management board. However, while faculty is often mentioned as a barrier, especially in programme design and review, the faculty may also serve as a driver of responsible management education:

There’s certainly internal pressure to increase the awareness of that topic [ERS], and that comes from some part of faculty. Not the majority of faculty; it’s really a minority. A quite small group of faculty that is critical to what the school does, in programme and also in research when it comes to... (School B, Interview 2, Research & Programme, Dean for Programmes).

Students are not seen as drivers for ERS, according to interviewees from within the faculty and management, which were also confirmed by the Dean of the student union. Finally, all seven interview groups were asked the question of what will or should be different in the school’s activity portfolio, and none of the interviewees raised the importance of additional ERS or responsible management education.

5.3.4. EQUIS

The school belongs to the first set of EQUIS-accredited schools, which volunteered in 1997 to go through the then-newly established process. Thus, it has a long tradition and record with the accreditation body. It came out of the in-person interviews that the school’s management values EQUIS as an

external peer and sounding board, but sees a limitation in its impact and guidance. When asked whether the school felt challenged by the new EQUIS Standards, the Head of Accreditation quickly answered: “Not as I experienced it, no. It was more a case of putting together all the information about what we do on these issues”. In response to the question of remembering the introduction of the new 2013 EQUIS standards, the Dean for Research answered: “I have looked at the new standards, but I do not remember any of them...”.

Despite the long relationship between the school and EQUIS, School B has not been asked to give feedback on the accreditation standards. More significantly, no feedback has been provided to the school by EQUIS with regard to the new ERS standards. In relation to the EQUIS process, the question was raised whether the school had to make any strategic efforts in order to meet the EQUIS requirements in the area of ethics, responsibility, and sustainability. In response, the Head of Quality mentioned “the school joined the PRME chapter at some point during the last five-year period. Then for some reason, we fell out of the membership for a year.”³² Interviewees responded to the question of what would happen if EQUIS accreditation were not available in the future:

SPEAKER 1: I think it would bring a certain kind of insecurity into the school. I think we would feel sort of left alone to continue to develop the quality of the school, not having EQUIS there to guide us and to encourage us and to force us to focus on the way we should develop. We would have to do that by ourselves.

SPEAKER 2: But I’m not so sure that it would make us turn around or drop emphasis on either internationalisation or ethical issues in our education. I don’t think it would hit us there. (School B, Interview 1, Strategy & Quality Management, Head of Accreditation and the Dean for Research).

³² According to PRME, School B was erased as a signatory institution because the school failed to submit a PRME Report, which each member institution must file annually.

5.3.5. Programme Development

School B identifies finance, economics, strategy, and marketing as its strongest academic areas; it receives international recognition in those areas, which are strongly embedded in programmes as well as in research and development. The school offers core and elective courses that are related to ERS, especially in the Master of Science in Management programme, where a compulsory course in Business Ethics is part of the curriculum. Corresponding with AACSB accreditation demands, the school has developed systematic learning objectives for these programmes and explicitly for these courses; thus, skills related to ethical awareness are being built. The initial course concepts came from the faculty, but were rapidly adapted and introduced by the associate Deans and Deans of programmes. However, when addressing whether ethics, responsibility, and sustainability are strong components in programme design, the Dean for Education responded: “No, that’s going too far”. When asked why this is the case, the Dean responded:

I think it somewhat relates to the expectation of the strategy or the plan for developing faculty at the school, which as we’ve said, has been up to now quite conservative. Focusing on the classical business subjects: finance, economics, strategy, and marketing. In many areas, there are quite homogeneous faculty groups that have been essential for developing the programmes. This might have then led to this novel priority or focus in curricular on these subjects only.

Reviewing documents and accreditation reports on programme design, management, and review, it seems that the school has a good system in place, led by the Dean of the respective programmes and supported by faculty, students, and members from the corporate world.

5.3.6. Faculty, Research, and Development

According to websites, Self-Assessment Reports, and other publications, the school puts strong emphasis on research and development. Both areas are well funded, largely through public funding sources and revenues produced through tuition fees, applied research, and consultancy projects. However, it became evident during the interviews that few resources are particularly

linked to research and development in ethics, responsibility, and sustainability.

Research is described as one of the key pillars of the school, which is highlighted in all institutional strategies. Accordingly, the school has a well-established structure of discipline-based departments, with sub-headed research centres, learning labs, and doctoral programmes. In contrast, interviewees remarked critically that "...there are lots of things going on, but it's very fragmented, and people in this department working on, I don't know, environmental issues, they don't even know the people in the other department working on business ethics". In looking at the structure and organisation of faculty, research, and development, it is clear that the school has a thorough strategy in place to manage all three. During the interview, however, the Dean for Research explained that ERS is not of large importance for research:

INTERVIEWER: Responsible management education as an area of research, is this something that has an importance in...

SPEAKER 1: No, I don't think so.

INTERVIEWER: So you don't do as much research in the area of responsible management education and ethics?

SPEAKER 1: No. Well, we have one professor. One professor, he publishes very much within ethics. But I do not know his work in detail, but I know he publishes in an ethics journal. So we have also three professors that are located in different departments who are working within the area of ethics. But we are not a strong group.

INTERVIEWER: You don't have a centre in ethics or anything like this?

SPEAKER 1: No, but we have plans now... We are, in a way, a classical business school built on finance, marketing, economics, and strategy. We are very classic and in a way quite conservative.

INTERVIEWER: But particularly in the area of research, what do you think could be a next step? What could be done to emphasise stronger sustainability and responsibility?

SPEAKER 1: I haven't thought about through that, so I have to think [sic]. (School B, Interview 2, Research & Programme, Dean for Research (SPEAKER 1)).

Within School B, no academic or administrative person is leading the development of ERS in teaching and research, while there are individual faculty members with research expertise in RME. It was particularly interesting to find that the school's communications manager was responsible

for writing the ERS chapter in the EQUIS Self-Assessment Report (SAR) as well as the PRME report. In the interviews, the manager expressed frustration and difficulties with collecting information and writing the report, claiming, “only little data and information were accessible, and communication with faculty and management was difficult”.

The 2015 SAR indicates some developments, such as a CSR Research Centre as well as a Centre for Climate Change; however, further investigation revealed that few faculty members are active in the centres, providing limited research outputs:

INTERVIEWER: So there's not one particular centre for responsible management?

SPEAKER 2: No, and the whole research centre structure at [...] is undergoing some changes at the moment.

INTERVIEWER: Do you have anyone, particularly in the faculty, who is very strong in this area? Anyone who takes on more a guiding or leading role?

SPEAKER 2: I don't know if you can find a single person, but you'll find different persons.

SPEAKER 1: A handful. A handful of people [sic]. (School B, Interview 1, Strategy & Quality Management, Senior Advisor to the Dean (SPEAKER 1); Head of Accreditation (SPEAKER 1)).

5.4. School C: University-Embedded - Public

In the matrix of the four different case institutions, School C represents the university-embedded business school that is mainly publically funded. The school's education and research focus lies within the fields of business, economics, and law. The institution was founded in the beginning of the nineteenth century as a private school serving the growing need for internationally oriented academic and professional education. After several decades of rapid economic growth within the country, as well as within in the higher education sector, the school became a public institution under the Higher Education Act in 1960. In 1986, the school was integrated within the largest university of the country, while maintaining some independence and keeping an autonomous Faculty Board and independent management. The founders of the school highlighted that academically based competence was

necessary for sustaining and strengthening the region's global competitiveness, a vision that the school claims is still in the contemporary world. Building on its history and with deep roots in the local community, the school provides internationalised education within business and economics, as well as in law, that is closely linked to research. School C offers a broad disciplinary base and wide spectrum of educational programmes at the Bachelor, Master, and PhD levels. As part of the country's largest university, the school further participates in the development of multidisciplinary approaches in research and education, in cooperation with other university faculties.

School C constitutes as a public institution that is primarily state-funded, with regard to both research and education. Funding is granted by the Ministry of Education and Research in two allotments: one for education, and one for research and PhD education. The country's laws prohibit public universities from charging tuition fees for students originating from within the European Economic Area (EEA).³³ However, tuition fees are mandatory at the Bachelor and Master levels for students from outside the EEA. The following revenue streams fund the school's activities:

- Government funding for education as well as for research and PhD education
- Research grants from research boards and other external contributors
- Revenue from fundraising and donations
- Tuition fees for non-EEA students
- Revenues from executive education

In 2010, the full implementation of the Bologna system with three-year Bachelor programmes, and subsequent two-year Master programmes, was completed. Today, the school offers Bachelor programmes and nine Master

³³ "The European Economic Area (EEA) unites the EU Member States and the three EEA EFTA States (Iceland, Liechtenstein, and Norway) into an Internal Market governed by the same basic rules. These rules aim to enable goods, services, capital, and persons to move freely about the EEA in an open and competitive environment." Available from: <http://www.efta.int/eea> [Accessed 8/3/2017].

programmes in English within the sphere of business and economics. School C grants degrees at all academic levels and has comprehensive PhD programmes in all its disciplines.

5.4.1. Country Context and Environment

National and International Position of School C, Facts and Figures

- Largest business school in the country, with more than 7,500 students, 110 core faculty (out of 450 employees) and over 100 doctoral students
- Large network of international academic partners
- Most attractive supplier of business education in the country with a market share of more than 40%
- Graduates with top placements in the country's industry and public sector
- Largest international programme offerings (teaching delivered in English and student exchange with international partner universities and business schools)
- Programme portfolio among the broadest in the business school area, covering business, management, economics, and law
- Recognition through various national and international accreditations and listed in important business school rankings

School C is located in a city that was founded in the early seventeenth century, which is today the country's second largest and most industrial city—a logistics and trading hub with the region's largest port. The country is repeatedly ranked as one of the top ten richest countries in the world in terms of GDP per capita combined with a high standard of living. The country has an export-oriented mixed economy with a heavy emphasis on international trade. In terms of structure, the economy is characterised by a knowledge-intensive and export-oriented manufacturing sector; an increasing, but comparatively small business service sector; and a large public service sector. Large organisations, both in manufacturing and services, dominate the economy. However, the economic crisis that started in 2007 hit the country to the degree that it had to review its high-tax system and highly developed welfare programmes.

The school takes advantage of its geographical setting and maintains close relations with businesses as well as public sector organisations headquartered or operating in the region. This deep collaboration fosters daily dialogue between academia and business, which is of great advantage to the school, as it seeks appropriate solutions through academic, business, and governmental partnerships. Corporate relations are also a crucial source of continuous dialogue for the development of the school and its role in society, as well as in funding research and teaching.

Higher education is a public priority in the country, which is committed to a school system that promotes development and learning for all students and nurtures their desire for lifelong learning. However, student performance on the OECD's Programme for International Student Assessment (PISA) has declined from near the OECD average in 2000 to significantly below the average in 2012. Responsibility for higher education and research in the country rests completely with the parliament and government, which decide on applicable regulations as well as guidelines, objectives, and allocation of resources. Within the government, the Ministry of Education and Research is responsible for higher education institutions. The laws and statutes that apply to the area of higher education regulate the operations of School C. This regulatory structure stipulates freedom of research and lays down general principles for courses and programmes offerings, providing a framework for the organisation of the school. Moreover, it regulates the fundamental principles for appointments and academic degrees, as well as the duties of faculty members. It also contains explicit provisions on student admissions and influence. At an administrative level, the government exercises supervision over all higher educational institutions and reviews the quality of education and research. For Bachelor, Master, and professional qualifications, schools must apply to the authorities in order to receive degree-awarding powers, which are conditionally granted based on the fulfilment of certain quality criteria formulated and monitored by the state agencies. Accordingly, schools are accountable and under the supervision of the government and subject to specific administrative and labour market regulations. Within these

regulatory parameters, School C has authorisation to decide on its own organisation, allocation of resources, and educational offerings.

5.4.2. Governance and Strategy

Both the document review and interviews show a consistent appearance of ethics, responsibility, and sustainability in School C's context, governance, and strategy. The school confirms a long tradition in responsible management education and position itself as "fully committed to the growth of the common good as being part of society at large". In particular, the mission, vision, and strategy documents are explicit on the importance of ERS in the school's operation.

The Mission of the School is to develop knowledge and educate creative individuals, for the advancement of successful organisations and a sustainable world (School C, Strategy 2012-2016, 1. Making the Mission).

During the interviews, it was evident that the core content of the mission, vision, and strategy was well communicated and understood among the faculty and administrative staff. Every interviewee could link ERS components in teaching and research to strategic planning and documentation. In this context, the school further identifies a strong responsibility towards society at large and interconnects this responsibility with its status as a public organisation mainly funded by "taxpayer's money":

...the School has a duty to engage in close dialogue with the surrounding society and by that, the School is able to impact the development thereof. Many of the challenges facing society today are of a complex nature and the School therefore consciously supports the development of functionally identified research areas. ...Societal impact is created through the School's graduates and by developing knowledge through research that contributes to the advancement of society. The School's large share of research dealing with aspects of sustainable development, often applying multidisciplinary approaches, is of special importance. (School C, EQUIS SAR 2014, 1.3.2 The School as Part of Society at Large).

The different indications made in accreditation documents were coherent with other publication and communications, such as the PRME report, institutional strategies, and websites. Also, throughout the interviews, respondents linked

the public status of the school to its mission and the importance of ERS in the school's education, research, and outreach. The school's longstanding engagement in ethics, responsibility, and sustainability was explained with:

...the Scandinavian culture, which incorporated these attributes in its core values [sic]. I think it's a part of [the country's] welfare state's model, which is also applicable to the school as well. It's a very important part of our culture that businesses and society work very close (School C, Interview 1, Strategy & Quality Management.).

The question of whether public schools are better positioned to drive responsible management education as compared to private business schools was discussed in several interviews. Interesting viewpoints emerged as some interviewees stated:

If you look at, for example, the programme portfolio and compare that with different business schools, private, public, and so on, you'll probably find more sustainability in public schools. I think maybe there is a first mover tendency by public schools because they probably have sustainability a little bit closer to heart, while private schools are more elite-related in the sense that they are constructed on the basis that students come to them 'to earn a lot of money'. They sell expensive education because 'if you graduate from my business school, you'll earn a lot of money'. Because, initially, it's not easy to translate it [ERS] into money [sic]. If you want a management education with a profile in sustainability, at first you won't see the monetary reward for taking that programme (School C, Interview 3; Programme, Faculty & Research; Head Graduate School; Professor Dept. of Business Administration).

Competitors: The school generally faces competition from peers outside its national context. During the interviews and in EQUIS accreditation Self-Assessment Reports, the following schools were mentioned as direct competitors: Stockholm School of Economics (SE), Copenhagen Business School (DK), University of St. Gallen (CH), University of British Columbia (CA), NHH Norwegian School of Economics (NO), and Aalto University (FI).

5.4.3. Drivers and Barriers

Various drivers and barriers in ERS development were widely discussed with interviewees. It became evident that the current economical, humanitarian, and environmental crisis was forcing the school to rethink its positioning and how to react to those challenges, which had an impact on the country and,

therefore, also on the school. Interviewees saw the different crises and their impacts as a “catalyst for ERS action and developments”, such as, “there were a lot of discussions on how to teach responsibly and are we a part of making the crisis happen?” (School C, Interview 1, Strategy & Quality Management, Head of Accreditation), and:

...with power follows responsibility, responsibility that is larger than the individual well-being. The worst thing we could do with this kind of professional education is to educate highly skilled, self-maximizing instrumentalists (School C, Interview 2, Strategy, Dean).

Also in School C, part of the faculty is considered as the main driver behind ERS developments, while other faculty members appear as “barriers” by questioning the importance of such developments. While the school has highly committed faculty members who teach and conduct research in ERS, senior faculty with strong teaching assignments (and not research) are mentioned in interviews as barriers.

In the beginning, faculty members were mainly behind the development of ERS, while students were largely ambivalent, except some committed student groups:

...we had a Dean of the student association who very bluntly said, “I’ve come here to learn how to make money, not how to save the world.” Today, the Student Association for Sustainability is one of the most vivid and active student associations. Students coming here don’t have a sustainability hat on. We force them to have it (School C, Interview 2, Strategy, Vice Dean).

Prioritizing journal rankings such as the Association of Business School’s Academic Journal Guide are mentioned as a barrier for faculty to engage in ERS research, as they list few ERS-related journals. This leads to a lack of recognition and incentives, even if research funding in sustainability and responsibility is provided:

This has not much to do with incentives, to really engage and to further incorporate sustainability in your course. I think another constraint is always time. People think, “My course is already full, I can’t incorporate another aspect”, or “I don’t have time to go to seminars” (School C, Interview 5, Programme, Faculty & Research; Head Master programme in Marketing and Consumption).

In general, students are not a strong driver for ERS. Faculty as well as students themselves stated in interviews “most students do not demand sustainability and responsibility in course contents while they are generally interested in the subject”:

From my own perspective, I feel like most of the students don't care at all, really, because they go to the school because they want to get a good career. That's their main focus. I think for them, it's not a main issue, and I don't think they are a driving force (School C, Interview 7, Students).

One of the main enablers and drivers was the school's management team, which by 2008 decided that education and research required more transparency and engagement in ERS:

We made a management decision to start the [ERS] project. At the same time, we were very careful to anchor a number of dedicated faculty members within all disciplines that could convey and start to work actively for this process. All of us [management team] arranged a number of seminars and we had processes within all the programme committees (School C, Interview 2, Strategy, Dean & Vice Dean).

Another faculty member reconfirmed the strong role of the management team in strategizing ERS developments while responding to my question on the drivers of ERS developments:

...do you want my honest answer? Because of the persons in the leadership, because of the current Dean [sic]. I think it's the same as in businesses; it depends on your leaders (School C, Interview 5, Programme, Faculty & Research; Head Master Programmes).

Questioning the influence of the crisis on ERS developments and if it required a bottom-up or top-down process, the management team responded:

We're indeed motivated by the financial crisis. And that's spilled over into the question of the responsibility of higher education institutions. We are a part of that debate. But then, our main drivers in this process were rather structural societal challenges, like climate change, demographic changes, the allocation of exhaustible resources, etc.... Yes, the financial crisis contributed. But not more than that. ...I think it [ERS development] started off as bottom-up, but now it's more like two-way, as the management team decided to emphasise it even more in the strategy. We have rarely said “You have to change your courses to

do this [ERS] instead of that.” It has to come from below (School C, Interview 2, Strategy, Dean).

5.4.4. EQUIS

EQUIS has had relatively small impact on ERS developments in School C. When asking the Vice Dean what role EQUIS played, he responded:

None at all [laughs] [sic]. I would say that our development preceded the change in the EQUIS standards. When we saw the EQUIS standards on ethics, responsibility, we were very pleased. Because this was in clear concordance with what we were already doing [sic].

The new standards were not “new” to the school:

INTERVIEWER: When the new standards appeared in 2013, what was the initial response?

SPEAKER 1: We were looking at it, and then we thought...

SPEAKER 2: “We’re already doing this.” [laughs] Pretty much.

SPEAKER 1: [laughs] Yeah. We could easily adapt to all the things. I think actually that’s the honest response that we think that, “Okay, we already did this.” It’s really good that it’s incorporated also into EQUIS (School C, Interview 1, Strategy & Quality Management, Head of Accreditation (SPEAKER 1); Sustainability Coordinator (SPEAKER 2)).

Similar responses came from Programme Directors and the Head of the Graduate School: “To be honest, no. We were there way before EQUIS” and “No. We did this many years before ERS was introduced in EQUIS”. A different professor and the Head of the Master programme in Marketing and Consumption had different perceptions:

For me, accreditation is great. For the current Dean, the strategy that they set in 2012 was under the current Dean, and the current Dean is great if you are passionate about sustainability. It’s a big change. I’ve been doing this [ERS] for my entire life, and suddenly now the school wants to do what I’m doing. [laughs] And accreditation says “yes!” So it’s great. But of course, there were people who didn’t think this was very important, and now they have to do it at all levels. Because of accreditation and strategy. But I also think that EQUIS dripping down to faculty is very difficult. For AACSB, we had to do it because of this “assurance of learning”. But EQUIS, it’s not that process-oriented (School C, Interview 5, Programme, Faculty & Research; Head Master Programmes).

Students did not know much about EQUIS beyond it serving as an “important accreditation and quality seal for business schools”: started this fall, and then

I didn't know anything about these certifications and so on. Now I know that it's like EQUIS certification, but I have no idea what it means. I think most of the students have no idea and they don't really care about it (School C, Interview 7, Students).

The school's management team was critical on the way EQUIS conducted the accreditation assessment and, in their case, how limited the Peer Review Team (PRT) considered the school's ERS development during the accreditation visit: "If we make some kind of review of our last EQUIS peer review visit, I would say that they [the PRT] were utterly uninterested in sustainability or ERS issues" (School C, Interview 2, Strategy, Dean & Vice Dean).

In general, the school deplores the lack of interest that EQUIS had in ERS developments. There was no communication on any level between the EFMD and the school, even though the school's Dean sits on one of the EFMD committees. While the school values its EQUIS accreditation—particularly the self-assessment as well as the peer-to-peer review process—interviewees did not see any immediate threat to the school if, for some reason, it might lose the accreditation:

Internally, I do not believe that the changes, at least in the short-term perspective, would be observable. In a longer-term perspective, yes. Of course, the reoccurring self-assessment that is a result of the accreditation procedure is a catharsis for the school. But especially when it comes to entering into partnerships with other schools. It's extremely important to have accreditations, because accreditation as a hallmark builds mutual trust. Which is necessary to get into deeper international collaboration, setting up double degree programs, etc. (School C, Interview 2, Strategy, Dean).

5.4.5. Programme Development

The school's programme portfolio shows different elements of ERS either as stand-alone courses or as components in individual course curricula. Programme Heads explained the tradition within the school to have sustainability and responsibility embedded in the programmes, which were mainly developed by faculty members. As this was perceived to be "relatively unstructured", School C created in 2012 the Council for Sustainable

Development (CSD), lead by the Vice Dean of Education and composed of Head of Departments and faculty members. The council's mission is to support the integration of ethics, sustainability, and responsibility within programmes, and it functions as an advisory board for the management team and the faculty board. For programme development, the council has established 14 sustainability dimensions containing relevant ERS examples and subjects, and all programmes have developed learning goals for sustainability:

We see that approximately twenty percent of all courses have sustainability learning outcomes, and there's a lot of courses that have some sustainability dimensions, but not as a learning goal or a learning target. But we are also working with programme Heads, and we're increasingly doing so (School C, Interview 1, Sustainability Coordinator).

The council seemed to be well integrated in the school's development processes and also well funded, with a full-time administrative person that manages its operations. ERS core courses (mandatory) are implemented in both the undergraduate postgraduate programme curricula. Various ERS core and elective courses are now integrated in each programme curriculum, after an in-depth programme mapping. The council organised the programme mapping and development together with Programme Directors and faculty. The multi-layer process led to the integration of ERS-related content in different courses, along with the development of stand-alone ERS courses (see Table 2). The leadership of the CSD, with a strong support from faculty and management, created a positive environment that allowed open discourse within the school. Faculty started to seek advice and coaching from the CSD on how to integrate ERS, even in courses such as finance, economics, and marketing (in which faculty are often rather reluctant to address ERS content integration):

It's counselling in one-way, but it's also probably recognising what is the core of this course. And the core of the course linked to subjects like responsibility and sustainability without changing completely the core focus of the curriculum (School C, Interview 1, Sustainability Coordinator).

The Programme Head from the Graduate School described the “sustainability programme mapping process” and the design of the knowledge areas as follows:

So we have this collaboration with them [CSD] that MSc programmes can volunteer for a sustainability review. Then we contact the council, and we say, “This programme would now like to have a sustainable review”. They then designate one person to be the reviewer. They start by sending out a survey asking what kinds of elements of sustainability they have in their programme. All the course or module leaders have to answer this survey. Then they have a mapping of the sustainability elements in the programme. Then they meet, course leaders and Programme Coordinators, to discuss these elements, and then there are suggestions made on how one could improve the progression on sustainability in the programme (School C, Interview 3; Programme, Faculty & Research; Head Graduate School).

	Students	Programme Management	Faculty and Department Management
Challenges	Awareness of the global and local challenges facing humanity.	All teachers and programme management staff shall be aware of global challenges. Key teachers and programme staff shall have a high level of awareness of global challenges.	Have a high level of awareness of global challenges. Some knowledge of solutions and central concepts.
Responsibility and Accountability	Knowledge about the role of actors (businesses, public, authorities, and individuals) as part of problems and solutions.	Key teachers and programme management staff shall be aware of available support and have a plan for how sustainable development is to be integrated into programmes.	Ensure that sustainable development is part of the strategic management at faculty, department and programme level.
Solutions	To after graduation have access to knowledge of tools and concepts to address sustainability issues in their professional lives.	Departments and programmes have processes in place to develop the quality of the education concerning sustainable development.	Actively support the development of an infrastructure for the School's sustainability work. Clear and trustworthy communication both internally / externally

Table 2: Knowledge Areas / Stakeholders: Education for a Sustainable Future

(EQUIS SAR 2014, School C, p. 128)

Despite the advanced programme development and learning goals, the school doesn't have any teaching policies beyond those provided by the Ministry of Higher Education. This may be one of the reasons for critical remarks from students about the quality of ERS teaching and learning:

I think all courses should have it [ERS] in them, and most courses that I've taken have succeeded in at least touching upon the issue, but again, on a very shallow level. It's more of having that single lecture, and because you want to get the sustainability stuff in. Like, "Okay, we have to do sustainability, so we'll put it here". Check off the list.

He [the professor] was talking about circular economy in the intro lecture, and I went to him afterwards and said, "Oh my God, are we going to hear more about this during this course?" He said, "No, because I really don't know anything about it" (School C, Interview 7, Students).

Interviewees stated that graduates from School C are better prepared to act and work sustainably, responsibly, but there is no assessment or data to support this view. However, a large percentage of students write their thesis in the area of ERS. For example, the Master in Marketing and Consumption has a strong sustainability focus; in response, half of the graduating students in 2016 wrote their Master thesis on sustainability-related issues (35 students in total).

5.4.6. Faculty, Research, and Development

School C employs several dedicated ERS faculty members that are actively engaged in research and teaching. The school also has several research centres linked to different departments as well as cross-disciplinary centres, such as one for business and society. Faculty enjoy strong public research funding from the state, and companies fund research centres and platforms as well. Research is mainly externally funded, and scholars must apply individually for this funding. Therefore, professors are largely autonomous in deciding on which area to do research in and searching for funding accordingly. When interviewing faculty members, I received an overall positive response concerning funding sources:

I think [national] research agencies particularly focus a lot on sustainability. Yeah, sure, Europeans does that as well, but more or

less all funding agencies have that [ERS] as one of their key funding areas. We have received substantial research funding. Of course, if we're successful, research is successful, applications of funding, and then we recruit people in that field. If you look at the positions that we have available to last year's, I think sustainability is probably part of more or less every one of them. That's the areas that have attracted a lot of funding (School C, Interview 3; Programme, Faculty & Research; Dept. of Business Administration).

The school also explains in its 2014 EQUIS SAR how the mission has impacted the school's main operations, such as teaching and knowledge production, and how it drives ERS engagement in education and research:

Moreover, research and education at the School have a purpose; namely, to contribute to the advancement of society at large. In this context, the School has to act on the problems facing the world today, whether it be environmental degradation, energy supply, global poverty, the stress of an ageing population on the public budget, corruption or the vulnerability of political and financial systems. This underlines that the School has a responsibility that should be taken into account in all activities, and conveyed to the students (School C, EQUIS SAR 2014, 1.5.3 Mission Influence).

Students have a more critical view on the role of faculty. In interviews, students confirm the leadership provided by the Sustainability Council and the school's management. They also see some faculty members engaged and committed, but "there are still many professors that are not interested or have limited knowledge in ERS". Those professors often invite guest speakers to talk about ERS-related subjects, making it a rather "external issue" not fully integrated in the course curriculum, and thus not interconnected with the core content:

...and then they have a guest lecturer, which may be kind of good, but many students don't come because they know that this won't be on the exam. Because sustainability isn't on the exam, the students don't really have to learn it (School C, Interview 7, Students).

While students generally recognise the variety of courses and ERS-integrated subjects, they indicated during the interviews that some professors do not have enough ERS competencies, even while they attempt to integrate ERS into their course content. Consequently, this "leads to some confusion when it comes to a debate, and the professor is not able to explain and

contextualise". According to the document review and interviews, the school seems to lack faculty development and management plans, with individual programme and department Heads focusing on engagement in research and education. The school strongly incentivises publications related to the ABS publication list. However, community engagement and contributions are also considered part of faculty responsibilities. It was expressed in the interviews that the school must strategize further in order to create more impact with ERS activities.

5.5. School D: University-Embedded – Private

School D, together with its parent university, was founded in 1994 and is considered a young institution in a country where most universities are old and have long traditions. The university consists of five schools, including the business school; the other four schools are in education, communication, engineering, and health science. University-embedded and private business schools are quite rare in Nordic Countries in general, and particularly in the school's country, where 95% of public institutions provide management education. However, School D fulfils the characteristics of a private business school embedded within a private multidisciplinary university. It is a separate legal entity operating autonomously, with limited liability, as a not-for-profit subsidiary company owned by the private university foundation. The school's Dean is also its Managing Director and a member of the university management team, which is comprised of the Dean, the Dean's executive team, and the Deans/Managing Directors of the five schools within the university. The university is operating under the country's Companies Act, which is one of the main differentiators with national business schools that are operating under the University Act. Within those levels of oversight and regulation, the school maintains a strong degree of autonomy and has established its brand as a highly internationalised business education institution that actively engages in applied research. Despite the private status of the school, it is important to understand that its main funding source is public in nature. The country's education law prohibits universities from

requiring tuition fees from national students or from students of the European Economic Area (EEA). In contrast and since 2011, international students from outside the EEA are obliged to pay tuition fees. Therefore, and despite its private legal status and governance, School D's main funding (80%) comes through public sources, with the remaining 20% raised through tuition fees from international students, research projects, and executive education.

Currently, School D grants Bachelor, Master, and Doctoral degrees in five disciplines: Business Administration, Economics, Commercial and Tax Law, Informatics, and Statistics. The school offers various undergraduate and postgraduate programmes taught in English, and it is a pioneer in internationalisation—it was one of the first schools in the Nordic Countries to offer entire programmes taught in English on all degree levels and to admit on equal terms both national and international students. There is strong emphasis on working with companies and the local industry, and it is mandatory for students in Business Administration to complete academic assignments within a host company. Through the school's doctoral education, some 130 students have been granted PhDs. Research focuses on entrepreneurship, ownership, and renewal, and it is carried out at the seven different research centres hosted by the school.

In 2015, the school received both EQUIS as well as AACSB International accreditation. This is relatively unusual in the business school world, as neither accreditation bodies nor schools recommend conducting both accreditations in parallel, especially during initial accreditation. Change process, disruption, and workload are considered as very high in this phase.

National and International Position of School D, Facts and Figures

- Small, private business school with approximately 1,800 students currently enrolled, out of which 45% are international
- 68 faculty members and 35 doctoral students
- 35% of the faculty and PhD candidates are international
- Large network of international academic partners

- Strong educational and research reputation within entrepreneurship, family business and ownership, business renewal, regional economics, and the role of information technology in business renewal
- Ranked highly in productivity and quality of research on family businesses
- Teaching delivered in English and student exchange with international partner universities and business schools; 84% of students study one semester abroad)
- Diverse recognition through national and international accreditations and listings in business school rankings

5.5.1. Country Context and Environment

School D is situated in the same country such as School C; therefore, a similar country context applies. Even though the school is formally outside of the country's state-owned university system and legally does not have to follow the guidelines of the (public) University Act, it chooses to view them as recommendations—and its internal regulations largely respect this national educational framework. Thus, the university and business school follow the higher education authorities of the country, from which they receive degree-granting power. There are in total 24 institutions in the country that provide management education; 14 are authorised to grant doctoral degrees, including School D. Compared to its main national competitors, the school is significantly smaller in terms of students, faculty, and staff, and it is also located in a small city, away from the major industrial and business hubs in the country.

5.5.2. Governance and Strategy

The research process revealed that School D has a limited number of accreditation reports and strategic documents, because it only began seeking international accreditations in 2004 (the institution itself was founded in 1994). Thus, the school's development can only be assessed for the past 20 years. With regard to management, many interviewees described the school as top-down organised: "Until 2013, it was bottom-up. Now I think most faculty will say it's very top-down. I mean, we abolished all departments, how more top-

down can you get?” (Head of Accreditation). When reviewing institutional strategy documents and Self-Assessment Reports, School D appears committed to ethics, responsibility, and sustainability. Indicators are the school’s mission statement is “to advance the theory and practice of business with specific emphasis on Entrepreneurship, Ownership and Renewal”, which links to the following three guiding principles:

1. International at Heart
2. Entrepreneurial in Mind
3. Responsible in Action
 - Being Responsible in Action represents our commitment to being a role model for ethics, responsible conduct, and sustainable business for everyone who connects with us (the school), whether it be our students, faculty, staff, employees, board members or external stakeholders of any kind (School D, PRME Report 2015, p. 8).

The third guiding principal was added in 2012 as a result of a strategy review process and in context with accreditation plans the school formulated at that time. The vision of the school is in line with the mission of its parent university: “We contribute to sustainable economic, social and cultural prosperity in the region where we reside, making way for knowledge-based innovation and enterprise” (School D, EQUIS SAR 2015, p. 25). The school explains the direction of its strategic positioning, mission, and vision not with its governance, legal status, and funding scheme, but as linked directly to internal and external stakeholder interests, such as:

- Promote responsible management and business practices.
- Offer education that aligns with our research.
- Encourage a responsible entrepreneurial mind-set in students and faculty.
- Offer students opportunities for internships, networking, and connections to employers to whom they can turn for jobs.
- Produce research findings that influence and benefit society.
- Promote sustainable international engagement (School D, PRME Report 2015, p. 12)

In individual interviews with members of the management team, and also in one group interview, the school’s ERS positioning and developments were explained in reference to stakeholders’ demands and the quintessential identity, values, and social context in the Nordic Countries. The arguments

presented were similar to those raised by other case institutions during the fieldwork: “I think that we have a social context [in Scandinavia] where trust, responsibility, and being ethical—we like to think or like to believe, at least—is very highly regarded” (School D, Interview 2, Strategy, Dean).

It can be seen as an indicator of commitment that the school created a dedicated role to promote and develop ERS in programme curricula and research output. The position is termed “Champion for Responsibility in Action” and is held by one of the core faculty; approximately 20% of the faculty member’s workload is dedicated to this role. This person functions as an interface and has been described as a “catalyst and watchdog” for ERS in the school. The person currently serving in this role was appointed in 2013 by the then-incoming Dean. The incoming Dean had served as Dean of a business school known for its strong position in ERS; upon joining School D, the Dean’s objective was to “bring international business school accreditation to this school”.

Overall, the management team (Dean and Associate Deans of Research, Education, and Faculty) did not appear as a leadership group that regarded responsible management education as one of the core developments within the school. This may be because of restructuring within the school, as well as an on-going search for a new Dean when the interviews were conducted. However, the management see the strength of School D as being a young, private, and dynamic institution that is more autonomous than many of their public national competitors. The school has appointed different academic and corporate advisory boards to further promote its development of ERS:

I work with an advisory board that has members from professional associations, and they think that this responsibility part is a core aspect for us to be competitive in the future. So from the advisory board that represents those that actually employ our future students, they see that this is a necessity (School D, Interview 3, Faculty, Research & Development, Faculty B).

Peers/competitors: The school sees its peers and competition mainly in the group of EQUIS-accredited schools: BI Business School (NO), Copenhagen Business School (DK), Stockholm School of Economics (SE), Rotterdam

School of Economics (NL), Gothenburg University (SE), and Mannheim Business School (DE).

5.5.3. Drivers and Barriers

The hypothetical question of whether the school would have engaged in ERS to the same degree in the absence of the economic, environmental, and humanitarian crisis that unfolded over the past years was widely discussed during the interviews. Some interviewees identified the external crisis as a driver for ERS and related thought and development processes within the school, and in management education globally, while others saw the ERS development as linked to the country's "social and environmental DNA":

...I think when it comes to the financial crisis in 2007 and what happened worldwide back then raised a lot of questions on business schools and what kind of products were coming out of business schools. That has been a worldwide external wakeup call for business schools all over the world to really think hard about what the end product is (School D, Interview 2, Strategy, Dean & Associate Deans Education; Research; Faculty).

Also similar to the other case institutions, some faculty members were quickly identified as the strongest internal drivers, taking the lead role in the development of responsible management education and research, while other faculty members are seen as barriers to such developments:

...ERS, well, it's not uncontroversial. I fully endorse ERS, but it's still controversial. Should business schools educate responsibility in a wider sense, and managers and businesspeople? Or should we educate people who are successful in the business life for profit maximization? That is not clear, really. While I think it is, there are faculty members that don't. For example, according to self-evaluations from the economics department, we got all kinds of answers such as "Ethics is nothing that economics should be concerned with". But of course, if you make this dichotomy of profit maximization and put responsible management as an opposing point, then I think you're right. Then, in economics, we will get the strongest reactions (School D, Interview 2, Strategy, Dean Research).

A number of external drivers were discussed; while EQUIS was seen as a reassuring reference point for the school heading in the right direction with

ERS development, PRME was recognised by the Acting Dean as a stronger driver and enabler within the school:

I think EQUIS accreditation influences, because it clarifies that this is important, and it's important that we have this response. PRME puts more wheels, I could say, into the movement. PRME has much more of that—power is not the word. Influence.

However, the Acting Dean suggested EQUIS also served as a driver, at least in the very beginnings of development: “We started with sustainability shortly before we got in the EQUIS process, so we didn't start it because of EQUIS, but of course it was useful for EQUIS. So I think there was a push to maybe include a bit more of that.” The Director of Quality confirmed the role that PRME and EQUIS played in the school's development and how the accreditations related to one another:

I think an important step was that we went for PRME. And of course, the good thing with PRME is that it sends out a very clear signal to EFMD [EQUIS] that we take this issue seriously. It's a take-off. It's not really an accreditation, but it's a self-evaluation, and you also need to send in a progress report where you show how you implemented ERS issues by introducing new courses, core elements, course content, and ILOs.

I still think that the quick and dirty way is to be a member of PRME. You can see that in the faces of the visiting team. “Oh, you're a member of PRME!” Because then they know that we probably do enough. When it comes to ERS, it's all about storytelling. ...So, when you write the report and when you have the visiting team, you know that you need to be relevant towards everything you do. ...What we did was that we referred to our PRME report, which included an inventory of ERS content in courses and programmes. So we could give them a list of courses where ERS issues were discussed that were part of either objectives and/or ILOs (School D, Interview 5, Strategy/Quality; Head of Accreditation).

Following those responses, it appeared that EQUIS was perceived as a reporting exercise rather than as part of the school's strategizing, research planning, and teaching development. The PRME standards had a stronger presence in the school's development of ERS, while EQUIS reconfirmed the importance of such. However, students are also seen as strong drivers in the development of responsible management education, according to faculty and students alike:

Eighty percent of the students do take it serious or extremely serious. There are a lot of people that realise how important this has become, both on a big scheme of things, as in we need to change the way we do things, otherwise we run into an issue—but also on the smaller of scale of things, like in what kind of organisation do I want to work? (School D, Interview 6, Faculty, Student A).

5.5.4. EQUIS

Similar to the other three case institutions, School D did not see the EQUIS accreditation as a guiding framework in ERS development: “Actually, to be honest, when it comes to EQUIS, I don’t interpret the EQUIS standards as equally changing us, if I compare with AACSB. EQUIS to me is more about showing off” (School D, Interview 2, Strategy, Associate Dean Research). Various management-level staff shared this viewpoint:

My immediate response would be no (EQUIS wasn’t a guiding tool for ERS developments). ...But at the same time, becoming a member of PRME definitely was partly a decision driven by the fact that we were moving towards accreditation and being aware that this is a good way of showing that we take this seriously. That part [ERS] was not a hard part to write in the EQUIS. It came quite naturally. PRME was more useful for making a statement and making it more visible (School D, Interview 2, Strategy, Dean).

These responses are coherent with the Head of Accreditation’s assertion: “It would have a bigger impact if we lose PRME for one reason or another. That would have an impact on our strategy. Losing EQUIS won’t impact ERS at all.” The Associate Dean of Education recognised that “becoming a member of PRME and working with accreditation supports the formalization of ERS”. Contrary to this feedback, one of the Programme Directors gave accreditations strong credit in the school’s ERS development, saying:

I think that accreditation has improved our quality work tremendously, not only in the area of responsibility and ethics, but overall. We have worked side by side with first EPAS and then EQUIS and AACSB, and if we were to not work with accreditation at all, that would have a major impact.

5.5.5. Programme Development

Document review as well as interviewees confirmed that the implementation of ERS in course and programme curricula is a weakness of the school. There

are no mandatory ERS core courses in the Bachelor programme (which are, according to the Dean, the “bread and butter programmes of the school”), but some of the Master programmes carry mandatory courses in business ethics or similar courses. Some courses contain ERS components in the curriculum, but there is no systematic approach to the implementation of ERS content in programme design or a definition of ERS-related intended learning outcomes (ILOs). However, the school has engaged in mapping its elective and core courses to better understand how much ERS content is present in the curricula and which programmes can integrate additional ERS-related content. The mapping identified some 25 courses related to

the areas of responsible management education³⁴.

...this doesn't mean that our curriculum content necessarily reflects enough on ERS. But it was partly because nobody really knew, one, that it should be there, and secondly, when you started to look at how you can introduce it, it's not that easy. ...However, the thing with academic freedom is exactly that, that it's widely interpreted. We can't really tell faculty what they should teach (School D, Interview 5, Strategy, Head of Accreditation).

Likewise, the Head of Accreditation was clear in his analysis of the role of faculty in programme development: “For some of the faculty members, ERS has become an end in itself. I think it becomes particularly ideological when it's supposed to replace another course”.

During the interviews, the question was raised of whether graduates are well prepared to act sustainably and ethically. The interviewees couldn't answer this question, as the school does not measure outcomes or follow students after their graduation. There is a strong belief that students have the

³⁴ Some of the school's ERS-related courses or courses that integrate ERS content:

- Corporate Social Responsibility
- Globalisation of Economic Activity
- Creating a New Venture
- Environment, Logistics, and IT
- Leadership
- Business Ethics

opportunity while studying at the school to learn to operate as responsible and sustainable managers, but whether they become so remains an area in need of investigation.

5.5.6. Faculty, Research, and Development

Research and research-related activities at School D are largely externally funded; therefore, faculty members need to apply externally to public and private funding agencies if they require resources. This means that fields of research largely depend on individual faculty members and whether they obtain the necessary funding. This setting makes it difficult for the institution to stir research in particular areas or to create monetary incentives. However, the school's research focus seems anchored in traditional management education areas and themes. School D hosts six different research centres³⁵, but none focus on ERS research. While some related research occurs in each of the six centres, the absence of an ERS research hub is seen as a weakness within the school's research strategy and explains its low research outputs on ERS topics. The interviews provided contradictory opinions on the likelihood of establishing an ERS hub. The Associate Dean of Research indicated that an ERS research centre could be developed: "I think we're moving towards this. Some people want to set up such a thing". In contrast, the Head of Accreditations stated, "...I'm not picturing a situation where there is a centre of ethical research, a centre for responsibility, or a centre for sustainability".

In further interviews, faculty members asserted that the absence of core faculty and a research centre with a focus on ERS was the reason why advancement in ERS research and programmes remained at a low level:

³⁵ School D research centres:

- Centre for Family Enterprise and Ownership
- Centre for Entrepreneurship and Spatial Economics
- Centre of Logistics and Supply Chain Management
- Centre for Finance and Governance
- Centre for the Prosperity Institute of Scandinavia
- Centre for Media Management and Transformation Centre
- Centre of Excellence for Science and Innovation Studies
- Centre for Information Technology and Information Systems

...but again, this push in sustainability isn't there. If we look at simply our BA faculty—if we simply talk about formal knowledge on ethics, sustainability, we only have basically two assistant professors that are good at this stuff. And honestly, that's it. And we simply don't have a centre for sustainability. And because it's that much centre-driven here, that means that if there isn't a centre, then there is not a centre! (School D, Interview 3, Faculty, Research & Development, Faculty B).

The school orientates its research and faculty developments, as well as its management, on the overall guidelines provided by national agencies, such as the Ministry of Higher Education. Despite the fact that the school—as a private institution—has the autonomy to formalise research and faculty strategies, senior management does not give this much priority:

A: ...it's very important that the faculty has the freedom to choose their own research subjects freely. I would not like to end up in a situation where potential work, leading ideas, would be scorned away in favour of conduct and research according to some internal rules or regulations or something like that.

Q: Do you have a research strategy at your school?

A: Yes, we do, and it's linked to our focus areas, which in turn doesn't necessarily mean we have to focus on ERS issues.

Q: Do you have a faculty development plan?

A: Right now, we have salary talks; we have development talks (School D, Interview 2, Strategy, Associate Dean Research).

In combination with these factors, School D does not provide a list of publications to indicate where it would like to see its faculty published. Accordingly, the output of scholarly work in ERS was relatively low and connected to a small group of faculty members. Thus, the question of how ERS-related research fed into the school's programmes went unanswered. The school's management acknowledged that this is "not enough" and, in the near future, "faculty management and development will be on the agenda". The school has developed some focus areas for research, but provides little incentive for faculty to engage in areas like ERS:

...for instance, *Journal of Business Ethics* and these kinds of journals that publish family business on a regular basis as well, I think that we are not really incentivised to go in those niche channels. Not that much (School D, Interview 3, Faculty, Research & Development, Professor A).

While management claims that some important ERS research has been produced in recent years, it seems to be not enough as indicated by several doctoral students:

...It's been a pity. For instance, last year, we had some internal private funds for Ethics, and basically, nearly until the end of December, most of them were untapped. We could do more, which we're really not doing (School D, Interview 6, Faculty, Doctoral Student A).

Both researchers and faculty agreed that ERS research is neither encouraged enough nor incentivized:

...sometimes it's quite the opposite. I, for instance, have been more involved in sustainability efforts at the university in my first year than I am now, but I was clearly told by my boss, "This is all nice and well what you're doing, but please focus on what's important. This is not important...please stop with that. This is taking too much time away from something else." There's no incentive, or no appreciation in that sense for that [ERS] (School D, Interview 6, Faculty, Doctoral Student B).

During each interview, I asked the interviewees which type of school would be better positioned to develop ERS research: public or private. The following exchange outlined the challenging situation:

...as a small private school, and if you're not a university, you will have to limit yourself. Then you will have to make it part of your research strategy. You have to try to attract researchers who build up research environments (School D, Interview 3, Faculty, Research & Development, Professor A).

6. Chapter Six - Cross-Case Analysis and Findings

This chapter builds on the extensive case descriptions in Chapter Five and engages in a cross-case analysis and assessment of the research findings. This chapter presents the key outcomes from data analyses following the fieldwork (interviews, desk research, and document reviews); it highlights the tensions revealed throughout the empirical study and discusses findings that will inform the case analysis and final conclusions. While the previous chapter reported the outcomes of the case study, this chapter contextualises the data and presents the findings. In Chapter Seven, I will discuss the findings and draw relevant insights, implications and conclusions from this empirical study.

In addition to the key findings, a number of additional findings surfaced during the empirical study, which went beyond what was investigated through the initial research questions. Those findings were partly unexpected and changed some of my initial perceptions of the research subject. Because of their importance, it became evident that those findings also needed to be included and discussed in this thesis. Specifically, the differing natures of private, public, stand-alone, and university-embedded case institutions required additional analysis of the responses from the different case institutions with regard to their governance, autonomy, and organisational structure. During the fieldwork, the theoretical lens of my research (organisational institutionalism) revealed examples of decoupling that led to isomorphism within the case institutions. Patterns of translation, editing, and imitation of ERS activities were detected, leading to a critical reflection on the schools' commitment towards responsible management education. In this context, the role of EQUIS as a leading business school accreditation required a deeper analysis and is reflected upon in the discussion of implications that derived from the research.

In a first research step, I investigated the change management processes involved in the implementation of the new ERS standards within EQUIS accreditation and in EFMD as an organisation. Following this, I assessed how

business schools responded to the new standards. The relation between the EQUIS changes management process and the business school responses are significant, as both sides appear to be strongly interrelated. EFMD as a membership-driven organisation depends on its member business schools, while at the same time, schools are dependent on the different accreditation schemes provided by organisations such as EFMD. Thus, it is crucial to better understand how EFMD as an accreditation body developed the new ERS standards for EQUIS before contextualising the business schools' various responses to the revised standards. The findings presented in this chapter are drawn from a cross-case analysis, in which I contextualised the research questions by comparing the different types of case schools. As noted previously, the research is framed within the matrix of four common business school models:

1. Public institution, university-embedded
2. Public institution, stand-alone
3. Private institution, university-embedded
4. Private institution, stand-alone

6.1. Findings from EQUIS Accreditation Research

In the first part of the empirical study, I researched developments within EQUIS to understand how ERS became part of the assessment standards and criteria. The research question was: "How did EQUIS develop the new ERS standards and criteria?" Here, I focused on the process EQUIS used while revising its accreditation standards, and I assessed internal as well as external drivers and barriers.

6.1.1. *The Path to ERS*

EFMD is a membership organisation mainly consisting of business schools, but also including corporate members. As a member organisation, EFMD largely represents business schools and serves their interests. In this context, it is heavily dependent on its member business schools. Thus, it is not

surprising that, similar to business schools, EFMD felt criticism and pressure following the economic crisis of 2007, much of which came from stakeholders such as companies, media, and society at large. In addition, organisations advocating for more responsible management education, such as PRME, GRLI, and ABIS,³⁶ continuously challenged business schools and accreditations to become more ethical, responsible, and sustainable.

EQUIS accreditation is managed by EFMD's Quality Service Department, which also oversees the organisation's other accreditation schemes, such as the EPAS programme accreditation. The Quality Service Department is responsible for the management of all accreditation-related operations, including the development and review of accreditation standards. The team is composed of mainly former business school Deans and administrative staff. Thus, when criticism arose related to business schools and their role in the economic, social, and environmental crises, accreditations such as EQUIS also "felt the heat". While during the interviews, EQUIS staff described the accreditation as "a catalyst for development in management education"; they also confirmed that the parent organisation (EFMD) is "largely a member driven organisation, which is representing business schools' interest". Given the deep interrelation between EFMD and its member business schools, EQUIS and its accredited schools can be described from an external perspective as "strongly linked". The strong relations between EFMD and its member schools may present a conflict of interest, especially if their objectives are rather heterogeneous, as is found in the case of responsible management education.

According to the study, EFMD began engaging in a more formal internal debate on the importance of ERS standards in 2012. Interviewees indicated that opinions on the importance of RME within the organisation were diverse and "internal critical voices had to be convinced" before EQUIS started to review its standards and criteria. In 2012, EFMD appointed an external task force that was expected to advise the Quality Service Department on the

³⁶ See 2.1.5. Responsible Management Education Networks.

review of accreditation standards as well as the implementation of responsibility- and sustainability-related criteria. Based on the collected data, this process was quickly conducted, and the recommendations made by the Task Force were soon accepted and implemented by both the EFMD and EQUIS boards. The relatively unstructured process but fast delivery of newly revised standards and criteria can be seen as an indicator of appropriate timing, if not overdue. EQUIS reacted after five years to a call that had been clearly articulated by different stakeholders since the outbreak of the economic crisis in 2007. Barriers to this process were found not only internally, as some of the staff did not see ERS as an important component of accreditation standards, but also externally, where a large group of business schools reacted strongly against the new standards, questioning the importance of ERS and EFMD's mandate to change the standards towards inclusion of these subjects. The study suggests that within EQUIS as well as within the business schools, similar sets of arguments have been used both against and in favour of developing ERS-related accreditation standards.

The empirical research also revealed that EQUIS did not have a clearly defined strategy on the ERS integration process, nor did it seem to have clear support and interest from within the organisations. External stakeholders, raised by both society and a specific group of business schools themselves, provoked the process. However, the results of the change process surprised many people within EQUIS as well as in business school circles: the review process resulted in a far-reaching transversal change, requiring the implementation of ERS in all standards and the development of an additional ERS standard.

The research shows that mainly external stakeholders forced the change in EQUIS standards and criteria. Media, public and private companies, governments, RME organisations, and think tanks, as well as business schools, their faculty, and their students, demanded that EFMD revise the accreditation standards, leading to substantial changes in the EQUIS assessment criteria.

6.2. Cross-Case Analysis from Business School Research

This section will engage in a cross-case analysis by linking the findings to data presented in Chapter Five. The cases compared here represent four different business school models that are common in the European management education landscape:

1. School A: Public, stand-alone business school
2. School B: Private, stand-alone business school
3. School C: Public, university-embedded business school
4. School D: Private, university-embedded business school

6.2.1. Findings

While Chapter Five presents the research data in case-by-case order, specific themes appeared according to the nodes and sub-nodes of my research, which supported the key findings across the cases. The nodes and sub-nodes are introduced at the following page in Table 3. I assessed the themes and grouped them into key findings that summarise the tensions that emerged from the study and informed my analyses and conclusions. The findings respond to the central research question³⁷, the second research question³⁸ and connect to the opposing views³⁹ that frame the research aim and questions. The findings also support the research aim⁴⁰ and link to the data

³⁷ How do European business schools with different governance structures respond to EQUIS accreditation standards established in 2013, with the focus on Ethics, Responsibility, and Sustainability (ERS)?

³⁸ What are business schools' responses to the EQUIS ERS standards in the areas of institutional strategies, programmes, faculty, research, and development, as well as responsible management education at large?

³⁹ A: EQUIS accreditation is a progressive development tool, and is well designed to lead business schools in their ERS developments.
B: EQUIS creates only isomorphic changes, and the new EQUIS accreditation standards are symbolic signals that will not create substantial change in business schools.

⁴⁰ The research aims to find out, how EQUIS accreditation impacts the development of responsible management education?

presented in Chapter Five. However, I am also showing supporting data in the cross-case analysis and when discussing the key findings. The first and second key findings respond to the initial research question on how business schools respond to the EQUIS ERS standards and criteria; they also address the second underpinning research question by focusing in particular on the areas of institutional strategies, programmes, faculty, research, and development. The third key finding reflects on the critical questions that emerged during the research, including to what degree business schools decouple their “ERS talk” from “ERS actions”. The fourth and final key finding respond directly to the research aim, what impact EQUIS has on the case schools' development of responsible management education?

Nodes	Drivers & Barriers	Power & Resources	Time	Reputation Positioning	& Strategies Policies	ERS Education and Research	Quality Management
Sub- Nodes	Internal Stakeholder Interest	Governance	Too early / late	Visibility	Policies	ERS Education	Assessment
Themes	<ul style="list-style-type: none"> • Management • Faculty • Programme /Faculty Committees • Staff • Students 	<ul style="list-style-type: none"> • Top down vs. bottom up • NPM vs. traditional academia • Institutional plans vs. faculty interest • University embedded vs. stand alone • Decision making and control mechanisms 	<ul style="list-style-type: none"> • Convenience • Impact • Results 	<ul style="list-style-type: none"> • Brand • Competitors • Peers • European Management Education • Belonging ("Club") 	<ul style="list-style-type: none"> • Mission, Vision, Values • Implementation • Staff • Budgeting • Management • SAR 	<ul style="list-style-type: none"> • Course and programme curricula • Intended Learning Outcomes • Programme development 	<ul style="list-style-type: none"> • Quality control • Accreditation management
Sub- Nodes	External Stakeholder Interest	Public vs. Private		Institutionalism	Strategies	ERS Research	
Themes	<ul style="list-style-type: none"> • Corporate World • Public Sector • Governments • Accreditation • Rankings • RME Networks 	<ul style="list-style-type: none"> • Hiring and promotion schemes • Funding • Governance • Resource dependencies • Autonomy 		<ul style="list-style-type: none"> • Coercive, mimetic & normative pressures • Decoupling • Translation, editing, imitation • Isomorphism • RME 	<ul style="list-style-type: none"> • Institutional • Corporate • International • Quality Management 	<ul style="list-style-type: none"> • ERS Centres • Faculty development /management • Research policies /strategies 	
Sub- Nodes	Environment	External influences					
Themes	<ul style="list-style-type: none"> • Crises • Societal Context • NPM 	<ul style="list-style-type: none"> • Funding sources • Society at large • Governments • Accreditation /Rankings • Globalisation 					

Table 3: Nodes, Sub-Nodes, and Themes

6.2.2. Key Finding 1: Stakeholder Organisations

Case institutions depend highly on their internal and external stakeholders and the environment they operate in, which influence the schools in their ERS developments.

Across the case institutions, the dual role of internal and external stakeholders as drivers as well as barriers for responsible management education became evident during the research. Senior management highlighted repeatedly during the interviews the importance of internal stakeholder groups (visualised in Figure 6) such as students and faculty, but also external stake- and shareholders, such as accreditations. All case institutions appeared to be strongly dependent on stakeholder interests, and the presentation of their ERS activities was predicated by stakeholder demands. Thus, stakeholders are drivers as well as barriers in a business school's effort to become more ethical, responsible, and sustainable. The schools rely on stakeholders' interest and how they are addressed and involved in the process.

To support the cross-case analysis and according to the empirical research, I introduce internal and external stakeholders that have a major role in the development of the case institutions' strategies and future developments. I also reflect on the environment that the schools operate in, which appeared to be a strong component influencing stakeholders' interests and schools' ERS developments. I begin by focussing on key internal and external stakeholders.

Internal Stakeholders

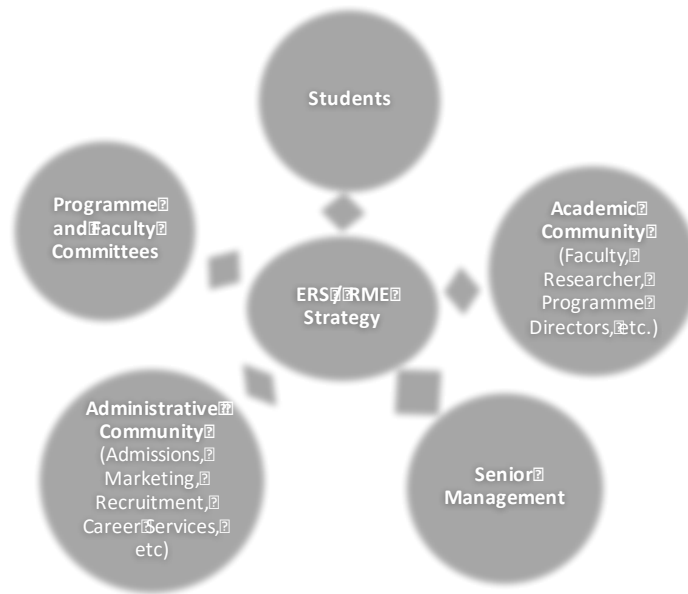


Figure 6: Internal Stakeholders concerned about ERS/RME Developments

Faculty: Across the cases, the schools see their faculty as in the “driver seat” for ERS developments, and they can identify the initial ERS initiatives emerging from individual faculty members. At the same time, case institutions also describe faculty members as strong barriers to ERS development. The data suggests differentiating faculty into three categories: (a) faculty leading the ERS developments with research and teaching backgrounds in this area, (b) faculty that is rather neutral, neither against nor in favour of ERS, and (c) faculty that speaks against ERS developments, especially if these compete with their own academic fields. Therefore, it is important to understand that faculty can be both drivers and barriers with regard to ERS, as stated in the interview with the Dean for Programmes at School B:

There’s certainly internal pressure to increase the awareness of that topic [ERS], and that comes from some part of faculty. Not the majority of faculty; it’s really a minority. A quite small group of faculty that is critical to what the school does, in programme and also in research...

To underscore the importance and power that faculty has within this process, particularly within the public case schools, ERS development in programmes and research is strongly dependent on the composition of the faculty body.

Faculty development plans and HR policies are as key governing actions in the schools when integrating ERS in course curricula and research agendas.

Management: The senior management appears as equally important to faculty for ERS development within the case institutions. While management is expected to respond to the interest of all stakeholders, it is simultaneously held accountable for the prosperity and success of the school. The two groups (faculty and management) symbolise the patterns of the different bottom-up and top-down dynamics documented in the case study. As stated in the interview with the Director of the Bachelor Programmes at School A:

The main driver of this process since the beginning has been the top management, which has made a clear commitment to responsible management, and it has found support from the faculty base and it has found strong understanding from the student body. However, I still consider the main driver being the top management. It started as a top-down approach, but the school is not a hierarchical organisation; there is continuous interaction between faculty and top management.

However, as the management team primarily consists of faculty, it often follows the interest and pressure of the faculty. Management plays a key role in implementing, communicating, and prioritising ERS, even in bottom-up (faculty/student) organisations. The management decides on the RME agenda and how to link it to the overall institutional strategy and budgets. Senior management can be seen as the interface between different internal and external stakeholders, translating and channelling ERS demands into all areas of education, programmes, faculty, and research agendas. The research suggests that the management team is an internal stakeholder largely responsible for the degree to which ERS strategies are decoupled from actions (“walk the talk”).

All case schools implemented in recent years a top-down governance structure. However, the public schools had faculty boards as well as student associations that controlled and partly counterbalanced their management boards. In comparison, private case institutions had more linear organisation and governance structures. Furthermore, the research revealed that Deans and their management teams in public schools seemed more aware of the

importance of ERS and their “responsibility to respond to societal needs”, which was confirmed by the Dean of School A:

We [the school] have the role of optimising the entire value of what we do to our society. Not the value to the owners, being the business owners or the private sector, but simply the value to the society at large! ...it is the perfect fit for a business school in a responsible society within the market of a welfare state. And that is what Business in Society means: it means business for society. Business [School] with a societal responsibility.

Students: Similar to faculty, students play multiple roles in ERS development. While all case schools have students and student organisations actively advocating for ERS and demanding faculty and schools to be more open to the call for responsible management education, the study highlights differences in student interest in ERS between public and private schools. The study indicates that students within public schools are more committed to ERS, and through a larger group of student organisations (such as Net Impact).⁴¹ However, interviews with students revealed that a relatively small group of students are actively engaged in the discuss, while the larger number of students are either ambivalent or question the need of ERS:

From my own [student] perspective, I feel like most of the students don't care at all about ERS. Really, they go to the school because they want to get a good career. That's their main focus. I think for them, ERS is not a main issue, and I don't think they are a driving force (School C, Student Interview).

To summarise, while some students are active in ERS-minded organisations, they don't appear as strong drivers. Similar to faculty, there are different groups: (1) those that actively demand the integration of RME in their study, (2) those that are ambivalent, and (3) those that do not want to see ERS as an important part of the programme curricula. Therefore, the research does not confirm the common belief that students drive business schools to be

⁴¹ Net Impact is a non-profit membership organisation for students and professionals interested in using business skills in support of various social and environmental causes. It serves both a professional organisation and one of the largest student organisations among MBAs in the world on topics such as corporate social responsibility, social entrepreneurship, non-profit management, international development, and environmental sustainability.

more ethical, responsible, and sustainable. This can be partly explained by the Nordic Country environment, where students often expressed that “ERS is already part of their DNA”. Through interviews with student focus groups, I found different types of students with diverse ambitions and demands concerning responsible management education, depending on factors such as age and the programmes they study, and also on their social and educational backgrounds. Particular differences in public and private case schools did not appear immediately, and further research on the students’ role would be needed in order to develop a more in-depth analysis.

Professional staff: The case institutions have strong administrative operations, with influential offices of Corporate Relations, Internationalisation, Marketing, and Quality Management in place. Some of the operations can be linked directly or indirectly to ERS developments. In private case institutions, professional staff increasingly occupied high-level administrative positions, which were usually run by academics in the past. As academic staff members are seen as drivers for ERS, their absence from professional positions may be one of the reasons why ERS appears less developed in private schools. Accreditation units in all cases were directly linked to a Dean’s office and in charge of quality management and assessment. The units operate largely autonomously, independent from the hierarchical structure within the schools. Therefore, professional staff plays an important role; in many cases, (non-academic) administrative staff manage the accreditation process with little involvement of their academic colleagues. Consequently, faculty from the case institutions often spoke critically about accreditations in general—and EQUIS in particular—by questioning “the usefulness of the assessment exercise”. Quality management staff is in a powerful position; they oversee institutional dynamics and power structures, and they can influence decision-making processes on the management level through accreditation exercises. Thus, administrative staff appears as drivers and/or barriers for ERS/RME, depending on institutional strategies and stakeholder demands as well as their own understanding of the importance of ERS.

Programme and faculty committees: Decisions on the development and implementation of ERS are often made in programme and faculty committees. They present powerful organs, especially with regard to the implementation of ERS-related content in existing courses and the development of stand-alone ERS courses. Within the case institutions, programme management is a largely autonomous operation run by the faculty, and school management rarely contests the decisions made in such faculty committees. Two case institutions tried to limit the power of committees by restructuring programme management and implementing cross-disciplinary platforms. School D even completely erased their department structure, which created a more management-driven organisation with less faculty influence: “Until 2013, it was bottom-up. Now I think most faculty will say it’s very top-down. I mean, we abolished all departments, how more top-down can you get?” (Head of Accreditation).

To conclude, faculty-led committees are key decision-making bodies with strong influence on programme development and research strategies. The development of ERS/RME thus depends on the composition and interest of those committees.

External Stakeholders

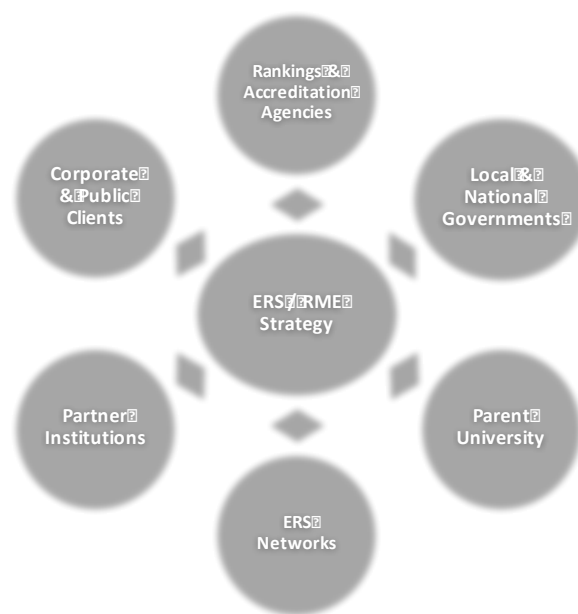


Figure 7: External Stakeholders concerned about ERS/RME Developments

Corporate world: Companies not only belong to the group of important stakeholders of business schools, but they are often also shareholders. Depending on their own interest, they appear as either drivers or barriers for responsible management education. Following the economic crisis, companies were confronted with criticism similar to that faced by business schools, and they often received pressure to become more socially responsible. Case institutions confirmed growing demand from their corporate stakeholders to educate students to be more ethical, responsible, and sustainable. However, in the study, ERS did not appear as a core component that future employers expected from business school graduates. While some corporate clients welcomed soft skills and a focus on ERS, others failed to see any related importance. Recruitment firms indicate a trend in companies searching for candidates that have an “ERS dimension”, but generally not placing much emphasis on the subject. The Dean of Research from School D reflects the lack of interest detected on the corporate side:

...ERS, well, it's not uncontroversial. Should business schools educate responsibility in a wider sense, and managers and businesspeople? Or should we educate people who are successful in the business life for profit maximization? That is not clear, really.

There is also no evidence that HR departments from large banks, consultancies, and other corporate employers have changed their hiring policies by including ERS in the search profiles of graduates they want to hire. This remains an important area for development and requires cooperation between business schools and corporate employers. Therefore, stronger demand for RME from corporate stakeholders would help business schools to further assess the impact of ERS education and research. As long as ERS knowledge and experience is not seen as an important asset in applicants' profiles, business schools will face difficulties in justifying further RME developments in their teaching and programmes.

Governments and public sectors: It is evident throughout the research that governments are demanding that business schools focus on ERS implementation in programmes, research, and development. The public sector has also criticised some case institutions for their “traditional management

education approach with a lack of ERS". For the past 10 years, mandatory national accreditations have adapted their standards and criteria by implementing ERS. Given the strong demand coming from governments, NGOs, and the public sector, the public case institutions appear to feel a greater push to develop RME as compared to private schools, because they are kept more accountable by those stakeholders (see Figure 7). In this context, the Dean of School C (public, university-embedded) further identifies a strong responsibility towards society and interconnects this responsibility with "its status as a public organisation mainly funded by taxpayer's money":

...the School has a duty to engage in close dialogue with the surrounding society and by that, the School is able to impact the development thereof. Many of the challenges facing society today are of a complex nature and the School therefore consciously supports the development of functionally identified research areas.

Public case schools often linked their ERS engagement directly to expectations coming from the public domain. Private case schools are more independent, and therefore showed less pressure from public stakeholders, which is another reason why ERS is generally less integrated in those schools.

Accreditation bodies: While accreditations are generally seen as an important driver for management education, the case institutions attest to only limited impact from them when it comes to the development of ERS and RME. EQUIS was frequently described in interviews as "five years too late" in order to be considered as a guiding tool. When asked what role EQUIS played, the Vice Dean of School D responded:

I would say that our development preceded the change in the EQUIS standards. When we saw the EQUIS standards on ethics, responsibility, we were very pleased. Because this was in clear concordance with what we were already doing [sic].

EQUIS' role in ERS development at the case schools is further discussed in Key Finding 4.

Ranking organisations: Rankings are a strong influencer and stakeholder for all case institutions. The role of rankings was frequently discussed during the interviews. The absence of any ERS criteria in the methodology of key business school rankings such as Financial Times, Economist, Times Higher Education, Forbes, EdUniversal, and QS World University Rankings are seen as an indicator of the limited importance of RME. This is an important component, because accreditations such as EQUIS are an entry requirement for prestigious rankings such as the FT Business School Ranking (business schools with neither EQUIS nor AACSB accreditation are unable to enter the ranking system). In essence, the ERS developments that comprise a substantial part of the EQUIS assessment process are currently not reflected by any ranking. According to some interviewees, “the future of RME will also depend on rankings, and if and when they will integrate ERS in their methodologies”.

RME networks: RME networks have an impact on ERS development in business schools and have gained larger recognition within the case institutions. Networks such as the UN Principles for Responsible Management Education (PRME) were described as guiding frameworks. Adoption of RME principles supported three case schools (A, C, and D) in their ERS developments and was used by dedicated ERS staff in order to convince internal and external stakeholders (faculty, management, and administrative staff) of the value of this component. In this context, the Director for Quality and Accreditation at School D confirmed: “I think an important step was that we went for PRME. And of course, the good thing with PRME is that it sends out a very clear signal to EFMD (EQUIS) that we take this issue seriously. It’s a take-off...”. The Dean of School D also supported this view, saying:

...becoming a member of PRME definitely was partly a decision driven by the fact that we were moving towards accreditation and being aware that this is a good way of showing that we take this seriously. ...but PRME was more useful for making a statement and making it more visible.

Case schools see peer-driven member organisations such as the PRME, GRLI, and ABIS as a “guiding and supporting tool” in their ERS development,

as compared to accreditations such as EQUIS. “Those organisations provide access to peer learning experiences and know-how that are important for the development and implementation of ERS” (Dean of Programmes; School A). This is partially due to their direct link to the faculty within business schools, which is one of the most critical assets of those organisations. As stated above, EQUIS is respected by case schools for providing ERS-related accreditation standards, but is criticised for not providing enough guidance in the development and implementation of ERS. By comparison, RME network organisations built relationships with the management and faculty at the case institutions, because they provided guidance and recognition of the ERS development long before EQUIS implemented ERS in its assessment scheme.

The external environment also plays a major part and I will now turn to this dimension.

Environment

Social, economic, and environmental crises: One of the additional outcomes of the study was that many interviewees observed a direct link between the impact of the economic, social, and environmental crises and the level of their schools’ ERS developments. For example, if a case school was based in a country that was impacted by the economic crisis, the school was more likely to develop ERS, as compared to a school based in a country that was not affected by any crisis. The Dean of School D confirmed this when he said: “We’re indeed motivated by the financial crisis. And that’s spilled over into the question of the responsibility of higher education institutions”.

The different crises were described as a “strong catalyst for RME”; for example, ERS became more developed in schools that were based in a country directly affected by the crisis (e.g. School A versus School B). School A is a public school based in a country affected by the economic crisis, while School B is a private school based in a country that was not affected by any crisis. The study revealed that ERS accreditation standards, PRME guidelines, and UN Sustainable Development Goals (SDGs) were more

quickly adopted in case institutions that were directly affected by the crises (e.g. through budget cuts).

Political, cultural, and historical context: “ERS is part of the Scandinavian DNA!” Variations of this statement were made by a majority of interviewees from all case schools. A sense of ERS entitlement or ownership was detected when discussing the roots of ERS in case institutions, as interviewees were convinced that “ERS values are in the core of their societies”. The Dean of School D said: “I think that we have a social context (in Scandinavia) where trust, responsibility, and being ethical—we like to think or like to believe, at least—is very highly regarded”. But what does it mean when ERS is perceived as a “pre-fixed value engrained in people’s education and upbringing”, and how can this be reflected in a case study?

As discussed in Chapters Two and Four, and in the introduction of the individual case institutions, a variety of publications and research suggests that societies in Nordic Countries are “more equal, inclusive, as well as socially and environmentally balanced” as compared to other European countries. However, Nordic Countries and their corporations and business schools engage globally and recruit internationally. From this study, it is not clear if the case schools are actually more conscious about ERS and their own responsibility based on their range of activities. The study reveals rather that the understanding of this responsibility varied between case institutions, depending on legal status and autonomy levels. Despite an overall ERS awareness in Nordic Countries, there are considerable differences between the individual case institutions’ ERS developments. Especially when reflecting on School B, the study underlines the risk that schools, “which take the ERS development as a given”, may face a different reality. The empirical study also suggests that political parties and societal traditions have a strong influence on ERS developments in business schools such as the case institutions. Interviewees indicate that the democracies of Nordic Countries with its high level of transparency keep lawmakers, politicians, and public organisations accountable. They are assessed by society on how ethical, responsible, and sustainable they are, which also applies to business schools (public and

private), because they are part of the higher education system. In particular, the public case institutions claim, “they keep themselves accountable to the principles of the Nordic Countries’ welfare state [democracy, fair society, fair competition and an inclusive educational systems]”. However, while those principles create strong pressure on the case institutions to act ethically, responsibly, and sustainably, the schools must also compete in a globalised business school market and respond to additional stakeholder expectations.

New Public Management (NPM): Tensions such as traditional academic organisation versus market-driven operations are discussed in this case study. Business schools more closely follow the for-profit models, utilising market rules such as competition, commercialisation, and entrepreneurialism—as well as quality assessment—to overtake the academia-driven or traditional management within the case institutions, replacing them with more corporate structures (Schools B and D; private). Appointed Deans replace formerly elected Deans, and while in the past, Deanship was a role in addition to teaching and research obligations, it is now a primarily managerial position. These academic managers may or may not be prepared to manage a school and take administrative decisions. The empirical study shows evidence that the private case institutions have adopted more NPM criteria, such as cost control, autonomy, transparency, accountability and decentralisation, as compared to public schools.

Conclusion

In all case institutions, competing stakeholder groups appear as strong RME/ERS drivers and barriers. Case schools need to respond to different (and often competing) demands from a large set of internal and external stakeholders. In addition, they find themselves in a challenging political, historical, and social context that is constantly transforming through the changing environment of globalisation as well as economic, social, and environmental crises, and the business schools self-inflicted New Public Management organisation. Key Finding 1 illustrates the challenging “stakeholder dilemma”, where case institutions have limited say on their own strategies and development plans while trying to adapt to and fulfil a diverse

set of stakeholder demands. In this scenario, the case institutions face coercive, mimetic, and normative pressures from different stakeholder groups that may lead to isomorphic changes. Those pressures also create tensions when developing a coherent ERS strategy that appeals to all stakeholders and is in line with the overall branding and positioning of the school. Therefore, case schools may find it easier to translate, edit, and imitate, which leads to a decoupling of “ERS actions” from the schools’ “ERS talk” (Key Finding 4).

Figure 8 visualizes the interrelations between the case institutions’ stake- and shareholders in the current management education environment as well as their influence on ERS developments. The figure illustrates the above-discussed internal and external drivers and barriers that influence the case schools’ strategic developments. The mapping of stakeholders and the environment is of fundamental importance when discussing the findings and drawing conclusions from the study.

- **Centre:** Various ERS/RME activities, programmes, research, etc., of the case schools
- **First circle:** Different internal stakeholders that appear as either drivers and/or barriers
- **Second circle:** Consists of the different external stake- and/or shareholders that equally appear as drivers and/or barriers
- **Third circle:** Illustrates the current business school environment (challenges and opportunities)



Figure 8: Drivers, Barriers for Responsible Management Education

6.2.3. Key Finding 2: Public vs. Private

Public case institutions showed stronger ERS developments and commitments as compared to private case schools.

One of the key findings of this study is the consistent appearance of high-level ERS commitment, strategic positioning, and actions within public case institutions. While the private case schools generally enjoyed greater autonomy and better resources, they were lacking the same level of RME and ERS developments in comparison to the public case schools. Despite budget cuts and a more bottom-up (faculty- and student-driven) organisation, the public case institutions appeared substantially more committed to ERs

development in education and research. This notion was supported by multiple interviews, but was best described in the following response from the Head of the Graduate School at School C (private, university-embedded), when asked if public schools were better positioned to drive responsible management education as compared to private business schools:

If you look at, for example, the programme portfolio, and compare that with different business schools, private, public, and so on, you'll probably find more sustainability in public schools. I think maybe there is a first-mover tendency by public schools because they probably have sustainability a little bit closer to heart, while private schools are more elite-related in the sense that they are constructed on the basis that students come to them "to earn a lot of money". They sell expensive education because "if you graduate from my business school, you'll earn a lot of money". Because, initially, it's not easy to translate it [ERS] into money [sic]. If you want a management education with a profile in sustainability, at first you won't see the monetary reward for taking that programme.

The empirical study also revealed differences in quality and quantity between research-based activities and curricula development, which is addressed in the next section.

Programme Development

Three out of the four case institutions (A, C, and D) conducted course mapping to determine which courses already contained ERS and how other courses could be redesigned. The mapping seemed useful in the further development of ERS and in obtaining faculty and management support. For programme development, the case schools generally used the PRME standards as a reference point as well as a development framework.

Through this mapping exercise, the schools determined that the majority of their core courses were lacking relevant ERS content. For example, in the faculty focus group interview, participants confirmed that it would be "well possible to have five years of education at the school [A] and hardly hear anything about ethics, responsibility, or sustainability". When trying to change course and programme curricula, the schools communicated directly with faculty, but often faced resistance from within the group, especially from core

faculty members. Therefore, the schools found it more appropriate to develop stand-alone ERS courses instead of integrating ERS content in existing core courses, which was more likely to be approved by faculty and programme committees. Case schools also faced resistance with training faculty members in ERS-related areas of their course domains; thus, students noted a corresponding lack of ERS expertise and know-how within the traditional faculty body. In this context, the case schools had difficulties defining ERS-related intended learning outcomes (ILOs) for courses and programmes. The lack of ILOs limited the schools' ability to evaluate the relevance and impact of ERS content in their business programmes. Thus, a school's success in reshaping curricula and integrating ERS is dependent on faculty interest. The case schools clearly struggled with implementation, even in schools that indicated ERS commitment in their mission, vision, values, and strategies. This empirical study highlights that programmes are often seen as an "independent, faculty-driven domain, under faculty supervision".

As school administration seems to have less influence on programme development, "negotiation" with faculty and programme committees is often necessary, facilitated by intermediaries such as PRME or an RME office. This complex set-up creates a difficult (and often political) process that involves departments, Programme Directors, and faculty, which explains the low level of ERS development, especially in programmes. For example, School A (a leading ERS business school in Europe), has no dedicated ERS core courses in its entire programme portfolio. The Faculty Council resisted initiatives by the school and Dean of Programmes to create new courses in ethics, responsibility, and sustainability. Thus, the school supported ERS development in course and programme curricula through reliance on faculty that voluntarily adapted course content.

Overall, the study shows that ERS programme developments often do not match stakeholder expectations. However, it also shows that private case schools are substantially less advanced in ERS programme developments in comparison to public case institutions.

Research

ERS research strategies were likewise different between the public and private case institutions. Public schools engaged substantially more in ERS-related research as compared to the private case schools, and they had more core- and visiting faculty linked to the areas of ethics, responsibility, and sustainability. The research tended to be organised through individual research centres and platforms, and while the public schools had different recent centres in place, the private schools had none. The study revealed that ERS research in business schools is further developed than ERS course content. In this context, faculty members of School A attest to “a good funding, especially for the research centres”. One professor called this the “Chelsea model”, where the school is “buying [research] stars” that lead to:

...a high visibility externally, but have only little impact within the school's teaching and learning structures. The incentive system that has been set up in the school can be compared to other business schools, what counts first are the publications in A+ journals.

This is particularly interesting, as research requires resources and funding, while many programmes in business schools are generating funding. Based on these study outcomes, questions arise of how investment into ERS research can be justified, as it creates substantial costs, and why it is more difficult to change course curricula than produce research. When stakeholders such as faculty, students, and employers did not demand or support further ERS development in programmes, investment in ERS-related research seemed easier to accomplish for the case schools. Resources and resource dependencies are crucial trajectories in any development process—ERS included. The significance of experienced ERS faculty operating as “change agents” was highlighted within the case institutions. Interviewees underlined the importance of incentives in the development of ERS research and teaching and in order to stimulate change. Overall, faculty reacted to publishing guidelines and management more positively when promotions and other incentives were provided.

Faculty

Diverse and often conflicting faculty interests challenged all case institutions. While some faculty members initiated or supported ERS, others questioned the need for further ERS development. Tensions between faculty groups, and also between management and faculty as well as students, were evident in all cases. Especially in the public case schools, faculty appeared powerful, strongly involved in decision-making processes and influencing institutional strategies. Thus, the public schools faced difficulty in linking their institutional strategic objectives with the interest of individual faculty members. In particular, School A created ERS-related platforms and departments, which gave the school the reputation of being a leading institution in responsible management education. At the same time, the school struggled with further implementation and development of ERS in programmes due to a lack of faculty support. In this case, the faculty appeared to support ERS research and intellectual outputs, while at the same time, professors questioned the need for ERS content in their courses and programmes. Thus, the empirical study shows that schools that have (a) ERS policies and strategies in place, (b) invest strategically into faculty development, and (c) invest in programme development are best prepared to respond to the new EQUIS ERS criteria.

Faculty members are divided and can be seen in this study as both drivers and barriers for ERS development. However, the study highlights the importance of involving all faculty members in the development process. Faculty within the case institutions were effectively bottom-up organised, with some hierarchical elements in the internal organisation. While case faculty members believed in the rule of academic freedom, there was a strong difference between academic ranks and the prestige and power associated with titles. For example, when hiring new faculty or developing their existing faculty body, case schools made progress in ERS developments. It became clear during the fieldwork that the lack of ERS know-how within the faculty was one of the reasons why programme development made limited progress towards ERS integration. Thus, the research suggests that faculty

development is a key component when changing programmes and research focus.

Students often complained in interviews that faculty had only limited ERS knowledge. For example, students from School C stated:

He (the professor) was talking about circular economy in the intro lecture, and I went to him afterwards and said, “Oh my God, are we going to hear more about this during this course?” He said, “No, because I really don’t know anything about it”.

School C established faculty development policies and created incentives for ERS-related programmes and research, which substantially changed the interest level and commitment of the faculty. The case study showed that if a business school wants to develop and integrate ERS throughout the institution, it must engage, integrate, and develop its faculty members, who serve as a key decision-making body.

Mission, Vision, Values (MVs), and Institutional Strategies

By defining their mission, vision, and values, the case schools indicated their priorities and principle position towards responsible management education. Each case institution had implemented ERS content in their strategic plans and reports, but great differences in quality and quantity became evident throughout the study. For example, the public case institutions more explicitly addressed ERS integration in their mission and vision statements, while private schools were significantly less detailed with regard to ERS:

Mission School C (Public, university-embedded): The Mission of the School is to develop knowledge and educate creative individuals, for the advancement of successful organisations and a sustainable world.

Mission School B (private, stand-alone): Our purpose is to build the knowledge economy and improve businesses through empowering people.

The case study further examined how the content of MVs was linked to institutional strategies and action plans. After assessing the various MVs and strategy documents, it appeared that public schools were more

committed to ERS than private schools. Case schools that showed a limited ERS profile in their MVVs had less ERS-related content in their institutional strategies, work plans, and objectives. In general, the study reconfirmed the concept that public schools have a more thorough approach to strategies and formulating strategic goals in ERS as compared to private schools. While private case institutions had transparent and well-developed strategies in place, they often lacked ERS content. However, the empirical study suggested a different pattern with regard to the implementation of strategies and work plans. While public schools clearly linked ERS to their MVVs and strategies, they showed limitations in the development and implementation of ERS within programmes. ERS-related activities in research were often more advanced than the curricula of courses and programmes. Overall, the public case institutions were generally more advanced in their actions and implementations of ERS in both programmes and research (as compared to private case institutions). However, the study showed patterns of decoupling were evident in programme development within all case institutions; the content of MVVs and strategies were in all cases different from what schools actually achieved in ERS.

Resources

Public funding is often linked to ERS development. Many of the large public funding proposals include ERS requirements, and schools must react and compete accordingly. The same factor applies to national funding, where government agencies require and monitor ERS developments. Private funding often does not require ERS, but this depends largely on the funding organisation and project. In general, public case schools receive more pressure to develop ERS than private schools do, as public funding agencies are more focused on responsible management education. The assumption that the quality and quantity of ERS developments depend largely on a school's autonomy and availability of resources was not confirmed by the research. Well-funded (private) case schools were not better positioned in responsible research and management education than public schools. Even

cost-intensive activities such as research were more developed in public schools, which face budget cuts and other funding restrictions.

One possible explanation is that research is often funded directly by third parties (i.e. European Union, national governments, companies), which require evidence of and commitment to ERS. Thus, while ERS research may be directly funded by these external agencies and not by the case institutions, acquiring the funding may rely on a school's overall ERS development. The case institution that was most strongly affected by the economic crisis (School A) was also the institution with the most advanced ERS research. However, the lowest ERS research output was found in School B, the private stand-alone case, which faced no budget concerns and no impact from the economic crisis. Here, the study showed that resources and funding are neither a driver nor barrier for strong ERS development. This became evident when contextualising the MVVs, strategies, and developments of the case schools with their financial resources and country environment.

Conclusion

The common belief that private schools are generally more operational and invest more into future developments than public business schools cannot be confirmed in the context of ERS. Even cost-intensive activities such as research were more strongly developed within the public case institutions, despite (or even especially) if facing budget cuts and other restrictions. A central finding of this research is that public schools respond more directly to stakeholder demands for more ethical, sustainable, and responsible management education. While this finding may not be generalizable to all business schools, it is an important outcome of the study. The factor of "stand-alone versus university-embedded" appears less influential, although the study showed that ERS developments are better supported in a multidisciplinary educational environment than within a stand-alone business school. In conclusion, this research study showed both the public stand-alone and the public university-embedded schools were further advanced in the development of responsible management education than their private counterparts.

6.2.4. Key Finding 3: Translating, Editing, Imitation and Decoupling

Case institutions engage in translation, editing, and imitation activities, which lead to a decoupling of ERS image from action.

Before presenting Key Finding 3, I will reflect on how case institutions position themselves in local, national, and international markets. The different mechanisms of branding and positioning are crucial in assessing if, how, and why business schools decouple. All case schools were conscious of the importance of developing a brand in order to be visible and attract talents ranging from students to faculty and staff. The highly competitive landscape of management education challenged the schools and created significant pressure on all operations. In this context, questions arise about how the schools position their ERS developments and whether their communications and presentations are in line with their actual developments.

Visibility

The literature review and study highlight the importance of responsible management education, which has grown substantially in the past ten years. In this respect, the case institutions developed responses to growing stakeholder demands. The desk research and cross-case analysis showed that ERS was an important component in the identity of three case schools, based on their communication, branding, and positioning (Schools A, C, and D). While ERS was an important component in the mission, vision, and values of these case schools, the study found great differences between information presented by the institutions in assessment reports, strategies, and communication material and their actual ERS developments. The research also underlined the importance of visibility with regard to ERS activities, but found that communication content and channels varied greatly between the schools, often depending on stakeholder interest. Public case schools seemed to face greater pressure to “show” their RME commitment and expose their ERS developments. This was particularly evident when comparing documentation and reports from School B (private, stand-alone) with similar communications produced by public case institutions. School B

had only limited ERS development (as indicated in other key findings), but tried to present itself as strong in ERS. In its EQUIS Self-Assessment Report, the school also indicated it had ERS-related research centres; however, the empirical study could not confirm their existence (see Chapter Five, p. 31).

The study found that schools tend to develop and communicate their ERS projects in order to achieve recognition from stakeholders as well as peers and competitors. For example, School A, which positioned itself as a leading RME institution, created strong visibility through ERS-related events such as conferences and seminars while also investing in ERS research and publication. The other case schools also engaged in ERS activities to create visibility and show stakeholder-conforming actions. The study showed that a school's reputation remains crucial with regard to funding and to attracting top-level students and faculty.

Branding

Case institutions faced competition both nationally and globally, and brand building was viewed as necessary to distinguish themselves from peers and competitors within the large pool of business schools worldwide. Thus, the schools invested strongly in their branding to ensure that their positioning and image met with stakeholder expectations, both in order to receive legitimacy and to ensure they were considered as belonging to the “right group of business schools”. In this context, ERS became part of the overall brand as seen in the mission, vision, values, and strategies of the case schools. School responses to the on-going controversial debate about responsible management education appeared to require finesse. On one side, the case schools needed to show evidence of changing to a more sustainable and responsible model, while on the other side, they also needed to remain credible with stakeholders that valued ERS less.

Competitors and Peers

In the empirical study, case institutions indicated the importance and impact of competition, which is driven by the marketization of management education, globalisation, and increasing student and faculty mobility as well as monitoring

and assessment activities (such as rankings and accreditations). Through various assessment exercises, case schools are constantly evaluated, and they also compare themselves with peers and competitors. The high level of transparency supported by various national and international rankings, accreditations, and league tables creates an “assessment culture” in which the case institutions experience a high level of competition. During the interviews, the schools indicated they all competed with each other in student and faculty recruitment as well as research funding (see Chapter Five, “Peers/competitors” of each case institution). However, they regarded each other as peer organisations when cooperating on various levels. In the business school context, the coexisting concepts of competitors and peers are common and additionally supported through accreditations. On one side, EQUIS fosters competition between accredited schools, while on the other side, accreditation is a peer-reviewed process with evaluation teams composed of Deans from other EQUIS-accredited schools. The case schools were well linked through a number of network organisations and accreditations, but also through inter-institutional cooperation, which allows for benchmarking activities. The case institutions identified their peers and competitors almost exclusively from within the circle of accredited schools, thus relying on similar benchmarks when comparing their ERS activities.

Translation, Editing, Imitation (TEI), and Decoupling

Complex governance systems, competing stakeholder interests, resource and budget constraints, competition, and unclear decision-making processes create an environment in which business schools are persuaded to engage in translation, editing, and imitation. The case institutions appeared to be strongly stakeholder-oriented and market-driven, regardless of private or public governance. However, differences were observed in the composition of their stakeholder groups, and thus, within their stakeholders’ interests. The schools were challenged when attempting to respond to the different and often competing “pushes and pulls” coming from the large sets of their internal and external stakeholders. The Dean of School A (public, stand-alone)

explained during one of the interviews the different societal “pillars” his school must respond to and is held accountable for:

...the welfare state is a pillar, democracy is a pillar, competitiveness is a pillar, and education is a pillar. I think they are the four pillars of what we call our type, the Scandinavian type of democracy. And to all of those, I think we [the school] have to deliver. All of them.

The different stakeholder scenarios create tensions, which made it difficult for the schools to develop a clear ERS strategy. The schools try to appeal to all stakeholders; while simultaneously create a coherent and transparent ERS brand and position supported by their respective mission, vision, and strategies. In consequence, the case schools decoupled their image, brand, and positioning from their ERS actions. This became evident during the empirical work when comparing institutional strategies as well as accreditation and other assessment reports from all case schools. For example, School B (private, stand-alone) had some links to responsible management education and highlighted a commitment to “good leadership practices” in its institutional strategy. In addition, one of the school’s four core values is “respect, responsibility, and ethical awareness”. However, a review of the school’s last two EQUIS Self-Assessment Reports, policies, and strategy documents—as well as websites and marketing and communications material—showed limited activities in and commitment to ethics, responsibility, and sustainability. Further, the six core academic fields of School B—Marketing, Strategy, Organisational Behaviour, Business Economics and Business Law, Finance, and Economics—were not linked to responsible management education. The school’s 2015 SAR indicated some developments such as a CSR Research Centre as well as a Centre for Climate Change; however, on-site investigations revealed only one professor to be active in ERS in the entire school, and that the centres have few activities and limited research outputs. School B had also entered the PRME network, but failed to submit a progress report in 2013 and was expelled as a PRME member institution. In further analysis of the EQUIS Self-Assessment Reports and in staff interviews, the gap between ERS “talk” and “activities” became more evident. The case study

confirmed that School B used translation, editing, and imitation activities in order to decouple its ERS “image” from “action”.

Despite the finding that private schools appeared more open to translation, editing, and imitation (TEI) activities, the public schools also changed their branding and positioning in response to different stakeholder demands. They engaged in translation, editing, and imitation as well, thus decoupling their ERS talk (image, branding, and positioning) from ERS actions. Multiple field-level pressures played a strong role in the decoupling, with the schools often facing contradictory and competing demands from both internal and external sources. During the interviews, internal actors expressed a critical view of responsible management education; for example, the President of the student association of School C stated: “I’ve come here to learn how to make money, not how to save the world”. The public schools particularly struggled with changing programme curricula and developing stand-alone ERS courses, often due to strong resistance from faculty and students. This resistance was more evident in faculty-led case institutions with few or no teaching policies and no formal assessment process, such as School A. The school (public, stand-alone) represented itself as highly committed to ERS and was regarded as a leading intuition in responsible management education, but it failed to introduce ERS-related core courses in any of its programmes due to faculty resistance. Therefore, the positive ERS image of this school can be confirmed in the area of research, publication, and study centres, but only partially in programme development, where the case institution decoupled its image from action.

Governance

The research revealed various top-down and bottom-up dynamics in all case institutions. Generally, the governance of public case schools can be described as bottom-up, while private schools had a more top-down organisation. Research indicated that all case schools had undergone shifting power cycles, where a strong management-driven period (top-down) was often followed by a more faculty-led cycle (bottom up). This was especially true in the public case schools, but the private institutions showed similar

patterns. Consequently, the schools seemed to shift between power dynamics when functioning in a more managerial way (market-driven, institutionally oriented, top-down) or in a more academic way (faculty-driven, research-oriented, bottom-up). The empirical research found that schools tended to decouple their ERS commitment from actual developments if they had a more top-down organisation. Schools that invested in ERS faculty and development were more able to “walk their talk”, while those that were more market-driven produced rather isomorphic changes.

Accreditation

In all schools, accreditation and other assessment activities were organised by administrative staff that reported directly to the Dean and management board of the respective school. Accreditation managers and quality management (QM) offices played an important role in ERS development within each case institution. Well-staffed and resourced, the QM office was responsible for managing different national and international audits, accreditations, and rankings. Quality management staff “translated” accreditation standards into actions and had the main responsibility for writing EQUIS Self-Assessment Reports. Thus, the QM or accreditation office was an important and powerful unit for ERS development, as it directed and advised the management team and set accreditation agendas within the case institutions. Writing the Self-Assessment Reports (SARs) seemed a rather superficial activity; the SARs were authored by a small group of staff that often were not directly in charge of the different areas addressed in the Report. For example, in School B, the Communication Director wrote the ERS chapter. A member of the management team justified that this was the right person, suggesting ironically in one of the interviews that “[the Communication Director] is also a politician, so [the Communication Director] can talk about a lot of things that doesn’t exist”. Generally, a level of “accreditation fatigue” was detected, especially in the case schools that went through reaccreditation several times (Schools A, B, and C). In these schools, EQUIS became a “report exercise, rather than a quality development activity”. Thus, the EQUIS accreditation standards supported the schools’ decoupling activities. The

often non-descriptive natures of the accreditation standards and lack of clear ERS quality indicators allowed the schools to engage in translation and interpretation of the standards and objectives. When writing the SARs, the schools utilised editing when documenting their ERS actions in order to be perceived as organisations that conformed to the standards for responsible management education.

Conclusion

Because they compete almost exclusively with other EQUIS-accredited schools, the case institutions have created an ERS image that does not always reflect their actions (“walking their talk”). The study demonstrated that the EQUIS accreditation exercise partially supports the decoupling of ERS talk from actions because the standards lack measurable quality indicators; thus, schools are tempted to translate, imitate, and edit their ERS-related communications.

Through decoupling, the case schools only underwent isomorphic changes in their ERS actions. These institutions need to discuss openly how they can develop an ERS strategy that responds to the needs of the twenty-first century by driving economic growth, social equality, and environmental sustainability. However, in order to reduce decoupling and to enable recoupling, the case institutions cannot fulfil all stakeholder expectations while transforming into more responsible management education models. Stakeholders should be prioritised according to the various school mandates, as well as their mission and vision—not vice versa. From the study, two challenging questions emerged for the case institutions:

1. How to function as an internationally operating business school, committed to ERS in a responsible society within a welfare state?
2. How to be a business school for the society at large?

6.2.5. Key Finding 4: EQUIS Impact

EQUIS accreditation had limited impact on ERS/RME developments in the case institutions.

The empirical study and its research questions were framed by two opposing but common views in management education circles, which are addressed and clarified in this key finding:

- 1) EQUIS is a progressive development tool that is well designed to lead business schools in their ERS developments.
- 2) The new EQUIS accreditation standards are only symbolic and will not create substantial change in business schools.

In the first part of the research, I investigated how EQUIS managed the development process and assessed internal and external drivers and barriers for change. The question of why EQUIS changed its accreditation standards at that particular time remains unclear, as no initial event marked the turning point. There was also limited evidence suggesting that EQUIS followed a strategy in changing its accreditation standards. According to the research, the accreditation experienced increasing pressure from different stakeholder groups, including the business schools themselves, media, governments, and others, which created the environment for change. However, EQUIS was challenged by internal and external resistance when it started to discuss ERS inclusion in the accreditation standards; thus, the new standards were only introduced in 2013. Interviewees that were part of the ERS task force advising EQUIS on the revision of the standards and criteria saw that:

...business schools and accreditations were confronted with increasing criticism that came from external sources such as media, governments, and funding organisations, but also from faculty and administrative staff, in response to the global financial crisis.

When developing the new ERS standards, EQUIS faced criticism from some of their member schools, stating that “ERS is often perceived as a somewhat ‘socialist dogma’, which should not be part of business school’s portfolio”, while other schools seemed more open and advanced in the inclusion of ERS in management education. However, in many schools, “external stakeholders changed their perception towards ERS, following the pressure that came through public debates and the changes of stakeholders’ interest”.

While EQUIS underwent an internal change process before introducing the new accreditation standards, the case institutions all stated that the new standards had limited influence on their ERS developments. Schools indicated that the new standards provided a “level of reassurance for going into the right direction”; however, EQUIS “came generally too late to have a real impact”. During the fieldwork, it became evident that EQUIS played a role in providing reassurance to the case schools that ERS was an important subject. However, the schools did not confirm that EQUIS served in a driving or guiding role in their ERS development process. For example, the Accreditation Director of School A responded to the question of what changes the new EQUIS standards brought to the school: “Zero change! We didn’t actually need to change anything to meet the standards. We had that activity going on for some time when the new [EQUIS] standards came up.” In essence, the case institutions had begun development on ERS prior to changes in the EQUIS accreditation standards. According to the schools, those developments were directly linked to the Principles of Responsible Management Education (PRME), as stated by the Dean from School D: “That part (ERS) was not a hard part to write in the EQUIS. It came quite naturally. PRME was more useful for making a statement and making it more visible”.

Following the introduction of ERS in the accreditation standards, case schools felt that Peer Review Teams were not examining their ERS developments, which led to disappointment in two of the case institutions. The Dean of School C claimed, “If we make some kind of review of our last EQUIS peer review visit, I would say that they [the PRT] were utterly uninterested in sustainability or ERS issues”. In general, the schools deplored the lack of interest that EQUIS showed in their ERS developments. “There was no communication on any level between the EFMD and the school [C]”, even though the Dean of School C was a member of the EQUIS Board. Consequently, a key finding of this study is that EQUIS had a limited role in ERS development at the case institutions. There is little evidence to demonstrate that the accreditation body is following how schools change and create impact in ERS. The research suggests that EQUIS may support the

schools better by evaluating and distinguishing between “true ERS development” and so-called “window dressing” in order to be seen as a driver for RME. Some of the interviewees commented that “EQUIS should promote ERS in the same way as internationalisation and corporate connections”, which are the other two transversal accreditation standards. They also suggested “a better training of PRTs and schools alike are needed, by providing benchmarks and additional quality indicators for ERS”.

Conclusion

The setting of EQUIS is complex, but leads to the essential question of whether EQUIS accreditation serves as a “change agent” or as a “reference point”. In her book *The Spiral of Silence*, German political scientist Elizabeth Noelle-Neumann wrote that measuring changes in public opinion derives from the theory of individual assessment. Following Noelle-Neumann (1980), the climate of opinion and confidence in showing one’s own opinion is linked to the processes by which the losing side falls increasingly silent, and the winning side is therefore overrated (Noelle-Neumann, 1980). In the context of the case study, this means that ERS became an accepted principle in EQUIS accreditation after many years of agitation and argumentation within this business school network. ERS critics became more silent, while arguments from ERS supporters became more dominant. With the implementation of its new standards, EQUIS followed the call for greater inclusion of ERS after a period of internal debate. The accreditation body introduced its new standards and criteria in spring 2013, after ERS had already become a development area within the case institutions. Thus, they did not feel particularly challenged by the new ERS standards. The timing was evidently too late; therefore, the impact of the new standards on ERS developments in the case institutions was

limit.

7. Chapter Seven - Discussion, Insights, and Conclusion

This chapter discusses the overall outcomes of the thesis, reflects on the research, and seeks to answer the question of whether the findings successfully met the objectives of the study. At this final stage, I also reflect on the research journey, considering the answers given to the research questions with a wider application of the key findings and their implications. This chapter also provides concluding arguments, fault lines, insights, and implications from the empirical study, the literature, and practice. To conclude the chapter, I will discuss potential directions for future research and present the implications of this study for professional practice.

For the global business school community, the advent of the twenty-first century inaugurated a season of introspection. As global sustainability concerns grew in prominence, critical debate on the purpose of business and its role in society required a response from the business and management education sector. Business schools were confronted by questions about their readiness to equip students for leadership in a world faced by a range of economic, social, and environmental challenges. Consequently, various academics and professionals in management education started to grapple with questions about the purpose of business schools and their relationship with business and society. The controversial discussion started to deliver scholarly interpretations on fault lines of the past and implications for the future, and debate about the importance of responsible management education escalated in the aftermath of the 2007 economic crisis.

Business schools started to recognise that the demand for management education had changed to reflect that market growth was not in itself an adequate indicator of the value and success of management education. Many different approaches tried to reconnect management education with business and society, and a new vocabulary became common in the marketing and communication plans of business schools. Concepts such as corporate social responsibility, corporate citizenship, business ethics, social entrepreneurship, corporate sustainability, and conscious capitalism became widely visible.

However, most business and management schools continued to teach a shareholder-biased view in business functions. Despite the many commitments and discussions held through the present day, a large number of schools ignored the fact that this biased view of business functions had negative effects on the sustainability performance of companies.

7.1. Discussion on Research Aim and Questions

This thesis mainly focused on how the 2013 EQUIS accreditation standards influenced the practices of business schools in the areas of institutional strategies, programmes, faculty, research, and development as well as in responsible management education at large. Although accreditation is not the only factor that determines what business schools believe, do, and become, it is an important shaper of the direction in which they will find their way forward in the face of twenty-first-century management education imperatives. This has especially become the case with the inclusion of ethics, responsibility, and sustainability in the revised version of the EQUIS standards. Within the framework of the central research question, I assessed how European business schools responded to the newly established ethics, responsibility, and sustainability standards in EQUIS accreditation. I outlined the context and motivation for the integration of ERS in management education and provided evidence of how business schools were responding to ERS-related accreditation imperatives in educational and institutional practices. I applied institutional theory as a framework for the interpretation of the empirical research, in which my core interest was to determine directions for future developments based on the findings of the study.

In this section, I will reflect on the extent to which my findings adequately responded to the research aims. Overall, the study generated evidence that the case schools have implemented ethics, responsibility, and sustainability (ERS) in their research, programmes, and institutional portfolios, and that the importance of ERS in business school education has developed significantly over the last ten years. Within the overall pattern of responsible management education, the case institutions are working towards effective implementation of ERS in all areas, but the level of success is varied among the different case

institutions. My findings in response to the overall research aim of determining the EQUIS impact, as well as the specific research question of how European business schools developed ethics, responsibility, and sustainability, are as follows.

7.1.1. Stakeholder Organisations

Case institutions depend highly on their internal and external stakeholders and the environment they operate in, which limit the schools in their ERS developments (key finding).

As described in the previous section, the empirical study found that other stakeholders mediated the impact of EQUIS. According to the empirical study, direct relations with stakeholders and the composition of internal and external stakeholder groups play an important role when case schools define their ERS strategies, actions, and communication plans. Schools differentiate between internal and external stakeholders and define strategic objectives depending on their stakeholder interests. Naturally, the schools were challenged by a diverse set of internal and external stakeholders, which often had competing if not contradicting interests and expectations on responsible management education.

Internal stakeholders sharing a particular interest in a school's ERS/RME strategy can be divided among academic and administrative staff, students, and management, as well as decision-making bodies in the school's governance (i.e. programme and faculty committees). But even within individual stakeholder groups, I found different driving and barring elements. Unsurprisingly, I met faculty and administrative staff that were pushing the RME strategy in each case school, while simultaneously encountering a large group of reluctant faculty and professional staff members that were resisting ERS developments. Similar dynamics were found within student bodies in each case school. While some of the students advocated for stronger development of responsible management education, a large part of the student body remained ambivalent or even opposed the implementation of ERS in programmes and courses. Many business students aim for

employment in the banking or consultancy industry and, consequently, prefer to focus their studies on finance and economics (fields known to be ERS resistant). Similar patterns were found within the groups of external stakeholders for each case institution.

The management teams of the schools appeared genuinely committed to ERS, but often adjusted their position based on how internal and external stakeholders defined ERS importance. Thus, the business schools determined to what degree they should focus on ERS based on these varied interests, diverseness of corporate and public clients, and demands of partner institutions. In addition, the schools had to cope with heavy surplus demands made by parent universities to support institutional cross-subsidising schemes. And while some accreditation agencies, governments, and ERS networks pressured schools to become more ethical, responsible, and sustainable, other important external stakeholders such as rankings continued to ignore ERS.

The fact that business school accreditations (e.g. EQUIS) and rankings such as the Financial Times partially share assessment criteria, but differ substantially on ERS standards, creates confusion within the business school sector. While EQUIS integrated ERS in all accreditation standards, the subjects are absent from FT ranking criteria. However, business schools that want to enter the FT ranking must be either EQUIS or AACSB accredited; otherwise, they are not admitted to the ranking. Given the importance of these two external stakeholders in promoting role models within management education, this scenario creates tensions and sends out contradictory messages to the business school community. Both accreditations and rankings strongly influence institutional development plans and strategic objectives, and they contribute to quality management and overall branding and positioning. Ranking and accreditation exercises also require a substantial investment of financial as well as human resources. As rankings and accreditations operate with partially contradicting assessment standards, business schools prepare different communication strategies for external

stakeholders, which in turn creates confusion internally as well as externally, leading to a decoupling of ERS actions from talk.

During the empirical study, the stakeholder scenario with different interests in case schools developed into a “stakeholder dilemma”. The strong presence and influence of internal and external stakeholders on ERS developments challenged the case institutions and their management with attempting to respond to competing stakeholder demands. Schools with a strong dependency on stakeholders seemed more likely to adapt their strategies and communication towards the interest of those stakeholders. This became most evident when comparing ERS developments between public and private case schools. The main stakeholders of public case schools are the national governments and the environment in which the schools operate. These stakeholders demand greater ERS development in comparison to the major stakeholders of private schools, such as students and companies.

The strong stakeholder dominance in management education can be partially explained with business schools’ shift towards a for-profit model that orientates institutional success on revenues. The schools are pushed by stakeholders to be organised as businesses and to implement cost control mechanisms, management autonomy, transparency, and accountability. Through strong links and interactions, the schools are transparent to their stakeholders and must respond to their demands in order to secure resources and support. Thus, the quality of the schools’ ERS actions depends largely on the respective institution’s reliance on its stakeholders. If, for example, tuition is the school’s major funding source, the school will largely define its ERS (and other) strategies according to student interests. Thus, if students do not demand ERS in programmes and courses, the school will not further promote responsible management education. Most business schools are thus constrained in their ability to define strategies and objectives that go beyond stakeholder interest. This limitation makes substantial institutional change difficult; therefore, schools often provide only “cosmetic changes” towards more responsible management education.

7.1.2. Impact of EQUIS Accreditation

EQUIS accreditation had limited impact on ERS/RME developments in the case institutions (key finding).

Business schools' perceived quality and excellence translates directly into their reputation and provides prestige (Manning, 2012). Quality and excellence can be claimed and displayed through accreditation seals such as EQUIS, which immediately signal to internal and external stakeholders the school's achievements and that it belongs to the group of "the leading business schools in the world" (EFMD, 2016b). With its recently revised standards, EQUIS has more ERS-related imperatives compared to competing accreditations such as AACSB or AMBA. However, the case institutions explained that the late implementation of the new ERS standards led to a limitation of impact, as the schools had advanced their ERS developments before EQUIS changed its standards. In addition, the limited guidance that EQUIS provides on ERS standards—as well as the "low preparedness of peer review teams" with regard to ERS—was reviewed critically.

EQUIS and the EFMD are seen as a strong reference point for all schools, which have given recognition to the accreditation in shaping European management education over the past 25 years. However, while the EQUIS inclusion of ERS as a transversal standard leverages its influence in the direction of the emerging concept of "responsible management education", the case institutions did not see EQUIS as either a guiding frame in their ERS development or as an important change agent. This is a rather unexpected finding, as it questions in part the EQUIS mission "to raise the standard of management education worldwide" (EFMD, 2016a). Consequentially, EQUIS may need to revise the implementation and assessment strategy of its ERS-related standards. The non-descriptive nature of the EQUIS accreditation standards makes it difficult for schools to effectively translate these into their own strategies and actions. Schools also find it difficult to measure the success and impact of their ERS development. Therefore, a clearer definition of the standards with quality indicators for ERS would be needed in order to tightly couple the schools' ERS actions with their talk. In essence, EFMD and

EQUIS need to act as a stronger interface between business schools and society. The organisation also needs to continue to be a visionary leader in the change process of European business schools and a driver for responsible management education. Otherwise, the accreditation organisation risks that schools will find it easier to engage in isomorphic changes rather than develop true ERS activities. Also, EQUIS' own "walking the talk" will be put to the test if it decouples the new ERS standards from the assessment and regulatory activity of its accreditation cycle.

7.1.3. Decoupling ERS Talk from Action

Case institutions engage in translation, editing, and imitation activities that lead to the decoupling of ERS talk from action (key finding).

Management education has been described by Thomas et al. (2013b) as an industry that, if not actually in crisis, is suffering a bad case of "existential angst". On one side, business schools often feel questioned by counterparts from other academic fields that do not perceive management education to be an academic discipline, and on the other, parent institutions of business schools constantly increase their demands on revenues that are often used to cross finance less-profitable departments on campus. In addition, Rasche and Gilbert (2015) observe that business schools are under continuously increasing pressure to respond to societal needs, requiring them to exhibit a true commitment to ethics, responsibility, and sustainability at an organisational level or face the loss of legitimacy that they derive from society.

While business schools are required to "walk their talk" when they address sustainability imperatives, they face differing limitations in resources, autonomy, and internal and external resistance. In this environment, business schools decouple their ERS talk from actions. Bromley and Powell (2012) say that by decoupling, organisations signal their compliance as a means to achieve or enhance legitimacy while continuing to do their "business as usual". The empirical study emphasised that the complex governance structures within the case institutions in combination with diverse coercive, mimetic, and normative pressures led to isomorphic changes within the case

schools. Unclear decision-making processes, competing internal and external stakeholder interests, resource constraints, and global competition created an environment in which the case schools decoupled their ERS talk from actions through translation, editing, and imitation activities. In particular, varying stakeholder interests combined with business schools' public exposure created pressure, and the case schools felt challenged in responding to diverse and often competing demands. This became evident when case schools wanted to appear responsive to ERS demands from some of their stakeholders, while avoiding being seen as over-compliant in order to remain credible with stakeholders that valued ERS less. The empirical study presents a gap between what schools write in strategy documents, audit reports, and other external communication when compared to their actual ERS actions. The patterns and interrelations between stakeholders, environments, and the schools' decoupling of ERS talk from actions are visualised in Figure 9 on the following page.

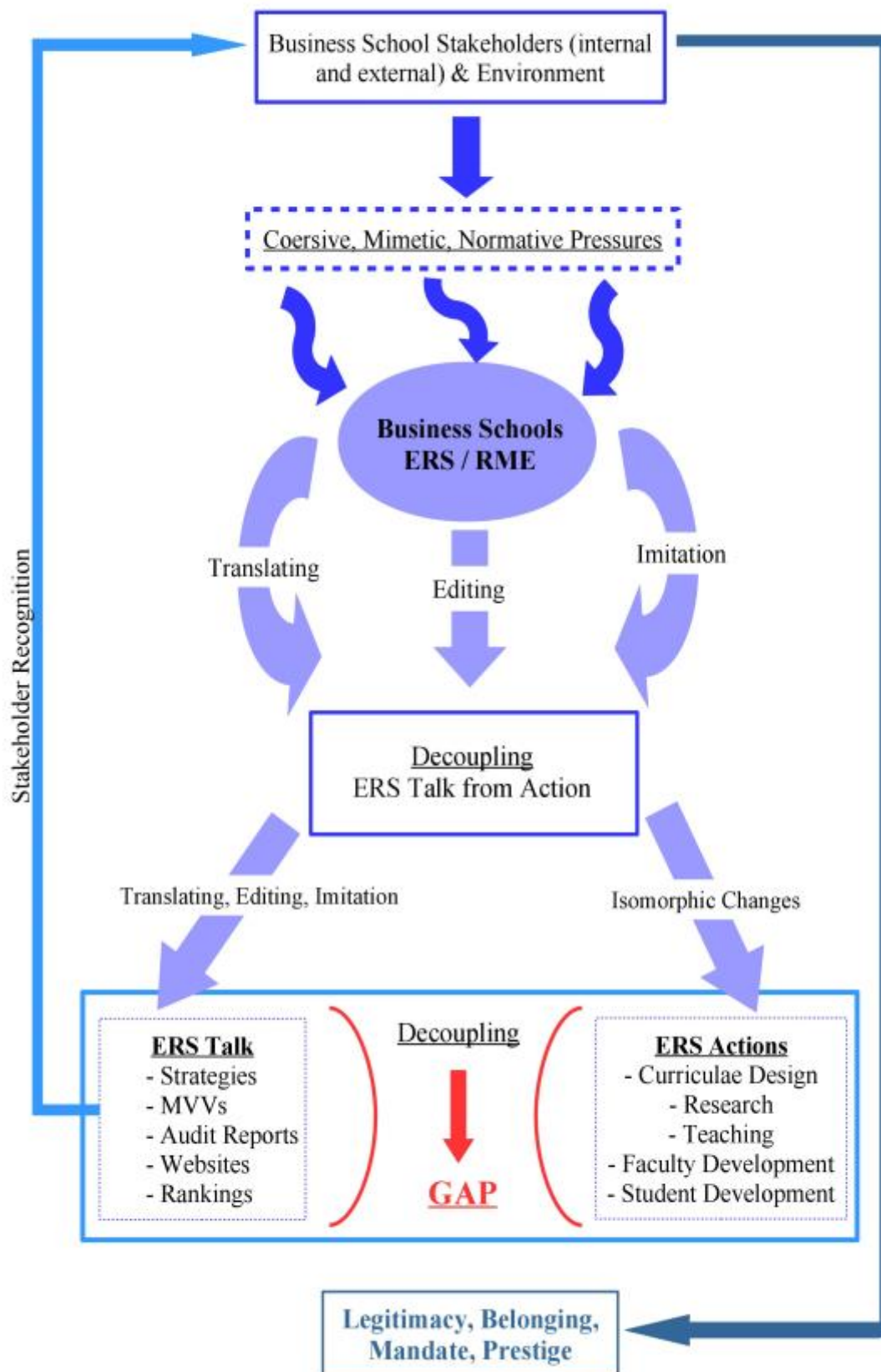


Figure 9: Decoupling Cycle – ERS Talk from Action

The private case schools clearly struggled with the development of a coherent and substantial response to the EQUIS ERS accreditation standards. Thus, the private institutions were more inclined to decouple their ERS practice from ERS talk by engaging in translation, editing, and imitation activities. These schools seemed to adopt ERS strategies only superficially, without necessarily implementing the strategies into the related practice. However, public schools also showed such patterns, particularly in programme development.

As business school activities are highly visible and their success is often measured through rankings and accreditations, decoupling can be a threat to a school's legitimacy. Discrepancies between claims and actual engagement, practices, and integration can challenge this legitimacy, if discovered by stakeholders. In this study, the case institutions claimed a certain level of ERS commitment in their strategies, mission, vision, and audit reports, which they had decoupled from their actual practice. These findings generate a call for research that moves beyond business schools' rhetoric and instead begins to address the relative degree of alignment between business schools' claims of sustainability and the actual implementation of such practices. When discussing resistance to change in management education, it is important to distinguish between the different sources: (a) so-called elite schools (often EQUIS-accredited) that have little reason to change as resources, reputation, and branding enable them to stay ahead of the competition, and that find it easier to decouple rather than challenge internal stakeholders such as faculty to implement real change in curricula and research; (b) mid-level schools that lack the resources and structure to support change and are caught up in rankings and accreditations, which often encourages conformity and risk-averse business models and isomorphism; and (c) schools that are facing increasing pressure on resources, which doesn't allow for fundamental changes, and that tend to replicate problems by creating new programmes based on old models.

This key finding requires further discussion on both the business school and the accreditation side. It raises the question on what expectations EQUIS initially had when implementing the new standards as well as questioning the business schools' intent when responding to the standards. This critical finding also informs future challenges for management education and EQUIS alike. If business schools continue with their isomorphic behaviour, they will widen the gap between their ERS talk and actions. Consequently, the organisational legitimacy of business schools is highly dependent on the way in which they respond to and address issues related to ERS, such as the environment, society, and economic stability. From this key finding, the question arises of how EQUIS can create a stronger impact and appear as a change agent for responsible management education. The limited impact of EQUIS on ERS development in the case institutions requires critical discussion, and both the business schools and EQUIS must undertake serious actions in order to better to better match their words to their actions. Insights and implications for both business schools and EQUIS are further discussed in the following sections (7.3.2 and 7.3.3.).

7.1.4. Private versus Public Business Schools

Public case institutions showed stronger ERS developments and commitments as compared to private case schools (key finding).

The research methodology of this thesis uses “private versus public” as a differentiator between the case institutions. The typologies of private and public business schools invoke a clear perception in management education circles, while in reality, the lines are continuously becoming more blurred. Public schools now show for-profit behaviour stirred by internal entrepreneurialism and the overall commercialisation of the sector. While in the past, tuition fees were an index for private schools, we now find an increasing number of public schools introducing fees not only for MBAs and specialised Masters, but also for pre-experience programmes. Public schools are increasingly governed by professional teams with full-time management positions—in many cases, appointed by boards and not elected by faculty or student councils. Deregulation and privatisation of business schools and the

globalisation of management education have all affected public schools, leading to strong competition among all players. Rankings as well as accreditations fuel this process, as the criteria assess short-term financial incentives such as entrance salaries of graduates and overall financial performance of the schools. The market orientation of management education, in conjunction with reduced public funding and pressure from different internal and external stakeholders, explains why even public schools are increasingly managed as for-profit organisations.

During the case study, I found supporting evidence that a variety of ERS-related activities were developed within the case schools in response to the recent economic, social, and environmental crises. The study confirms that ERS “found its place” through growing recognition from management, faculty, and student bodies. I also observed substantial ERS/RME developments in strategies, programmes, faculty, and research; however, it is important to differentiate the qualitative and quantitative levels between public and private schools. Despite the above-described trends in the increasing commercialisation of public schools, the research suggest that public schools show a better understanding of how to develop and implement ERS and are genuinely and more strongly committed to RME. This is of particular interest, as private business schools are often envied by public schools for having larger resources and institutional autonomy.

With funding mainly coming from tuition fees and other direct sources, private schools seem to face fewer dependencies or regulations—even from parent institutions. Thus, private business schools should be able to adapt and respond faster to stakeholder demands, such as with ERS/RME development. Based on the research findings, the question then arises of why private schools were less advanced in ERS as compared to their public competitors, even if they seemed to be better positioned. The answer links to the above-discussed stakeholder dependency. Private schools depend on stakeholders such as students and companies, which appear to show limited interest in ERS. In contrast, public schools are closely linked to governments and society, which hold business schools directly accountable for their actions.

Additionally, the overall governance and strategies in the private case schools showed a lack of understanding and recognition of the importance of RME. An overall top-down management approach created an environment where subjects not related to core business programmes found little appreciation or support.

Along with supporting a more inclusive environment, it became evident that schools needed to have academic and administrative “ERS champions” to lead the development and implementation processes. In this context, faculty dominance paired with a rigid tenure track system appeared as another barrier for responsible management education, and was largely detected in the public case institutions. Faculty boards mainly composed of core faculty and full professors define the programme and research strategies of public schools, and other internal stakeholders have little influence. To change direction, public schools must have faculty management strategies in place as well as faculty development policies that provide guidance, support, and clear incentives for ERS-related courses and research.

Both faculty dominance (public schools) and market dominance (private schools) appeared as barriers to ERS development in the case institutions. To overcome such patterns, schools must clearly commit to what they claim in vision and mission statements and rigorously implement their ERS strategies. However, the fact that the public case institutions were substantially more advanced in their ERS developments leads to the conclusion that overall legal status, governance, and stakeholder interactions play an important role when implementing responsible management education.

7.2. Potential Limitations of the Study

Every study has potential limitations, and I will reflect on some of these in this section. The robustness of my study can be challenged in a number of ways.

The impact of the theoretical framework on the findings arises from the current limited body of knowledge. It could be argued that my attention

towards some aspects of the empirical study led to a downplaying of other important elements. Therefore, another approach may have found significantly different results. For example, the focus of the study on the influence of EQUIS may downplay other important drivers for ERS, such as the UN organisation PRME, which also advocates for responsible management education. However, the focus of my study was on business schools' responses to EQUIS accreditation standards.

The data collection was limited to document review and interviews. In the interviews, I relied on the respondents' answers, and there is no guarantee that the interviewees' perceptions match what occurs in their institutions. I addressed this limitation through my research design and the structure of the interview questions. I ensured that the interviewees had similar roles in each institution and set up cross-referencing questions. I used this type of question to verify individual responses, increasing the likelihood that the responses could be generalized. In addition, semi-structured interviews allowed me to gain a variety of perspectives from different interviewees, so I could consider alternative views on similar topics. This served as an element of crosschecking during the study, with respondents from one area independently confirming the findings in other areas.

The interviews were conducted in a particular period of time (March to June 2016), and because of the relatively short period, the data may not capture significant developments that would have been detected by a study conducted over a longer period of time. This is arguably a limitation; however, the interview process was constructed to assess the evolution of developments that had taken place up to the point of the interviews.

I chose to conduct an in-depth case study in order to gain a holistic picture from each case institution. Given the complexity of the research and the limited number of EQUIS accredited/reaccredited schools in any one country, I assessed four schools in a particular geographic area in Europe. Therefore, it might be argued that a study based on a sample of four case institutions

was not large enough; four institutions is a relatively small proportion of the 55 business schools ⁴² that have achieved EQUIS accreditation since the introduction of the new ERS standards. This prompts the question of whether findings based on four institutions in one region are generalizable to the wider EQUIS-accredited business school population. In response, I conducted 10 interviews in each of these 4 institutions, comprising 40 interviews in total. This constitutes an arguably sound sample that I believe makes the case institutions representative of the sector. However, I acknowledge the potential limitation that comes with a small number of samples in one region and will transparently reflect this when discussing the research.

Another potential limitation may be that three of the case schools went through EQUIS reaccreditations, while only one case institution had participated in an initial accreditation under the new (2013) EQUIS standards. It might be said that reaccredited schools do not consider the implementation of standards to be as important as would a school applying for the first time. However, the research frame limited the number of potential schools, and research findings did not confirm the potential limitation.

A final potential limitation is that a particular institutional context in one or more cases might affect findings and generalizability. However, despite differences in their governance, autonomy, and funding schemes, all institutions operated within a broadly similar geographic, governmental, and societal context. Nevertheless, the pattern was consistent and similarly repeated in each institution, and the quality of the data offers a depth of understanding.

⁴² EQUIS Quality Management office provided a list on November 25, 2015 of all schools that received EQUIS accreditation under the new accreditation standards, following its introduction in 2013. I determined the region to focus on based on this list (see Appendix 4: List of EQUIS Schools). Based on the selection of potential case institutions that fulfilled all case criteria, I contacted each school in order to discuss my research proposal.

7.3. Insights and Implications for Policy and Practice

In a DBA thesis, a contribution to policy, management, and practice is required to supplement the academic contribution. In this section, I will draw analyses from commonalities between the development of internationalisation and ERS and discuss implications for both business schools and the EQUIS accreditation.

7.3.1. *Conceptual Insights*

Organisational institutionalism is the theoretical lens that informed my research as well as the selection of the nodes and themes. Institutional theory not only served as an interpretive lens to understand what is happening in and between business schools, it also provided me with important insights on how the processes of adaptive change in management education can be supported and scaled in future. Institutional theory appears especially relevant for my research when I investigated EQUIS' influence on the development of business schools. It was also a useful theoretical lens when I assessed the isomorphic behaviour of business schools under coercive, mimetic, and normative pressures. In my research, I found evidence of these pressures from both internal and external stakeholders, which acted to maintain or even increase a case institution's legitimacy by presenting and emphasising certain ERS actions. My study further underlined the phenomena of institutional isomorphism, in which organisations conform and adapt to societal pressure and expectations by responding to the mandate and legitimacy they receive from their stakeholders. The findings revealed that case schools decoupled their ERS actions from talk in order to show compliance and adaptation to the environment. Thus, while relying on stakeholders' trust and faith, the case institutions gained legitimacy and mandate without full adaptation.

In this context, the research confirmed that the case institutions engaged in ERS in some areas (such as programme development) only superficially, and without implementing the related practices. The concept of decoupling implies

that business schools have a choice and often play an active part in shaping their own ERS context, strategies, and objectives. Additionally, “translation”, “editing”, and “imitation” affected actions within the institutions’ processes. The study revealed that the case institutions translate, edit, and imitate ERS practices as they spread in different contexts, and according to their own objectives and stakeholder demands. In each new setting, ideas and information underwent a translation, or being transferred, transposed, and transformed. In addition, the settings often changed depending on stakeholder participation and interest. Thus, the circulation of ideas can be seen as a continuous editing process performed by internal and external editors. Although the research did not determine clear rules for translation, editing, and imitation within the case institutions, it revealed that the schools made extensive use of these processes to present ERS activities in familiar and commonly accepted terms so they would make sense to the audience.

While institutional theory refers to a general decoupling of subject from action, I found in the empirical study a different kind of decoupling. My research highlights the decoupling of ERS-related communication (talk) from concrete ERS actions. The gap became specifically visible when comparing “ERS talk” in EQUIS accreditation self-assessment reports, strategies, and other communications material with “ERS actions” in curriculum change, programme development, and research (see Figure 7). In this case study, decoupling was found in a variety of institutions, rather than on only one specific type of institution. Under the diverse sets of coercive, mimetic, and normative pressures from external and internal stakeholders as well as the overall environment, the business school sector as a whole appears to engage in decoupling ERS actions from talk. In the context of EQUIS-accredited schools, these patterns are supported through the notion of “belonging to the group of the best business schools in the world”, in which members of this group often interact and benchmark exclusively with each other, following the same or similar ranking and accreditation schemes.

In summary, it became evident through this study that ERS-related communication did not always match actual ERS activities. The study

displayed a gap between means and ends in the case schools, which decouple their ERS talk (e.g. strategies, audit reports, publications, websites, brochures) from their ERS action (e.g. research, programmes, curricula, faculty, students). ERS actions were also differently presented, highlighted, or downplayed, depending on which stakeholder was under consideration.

7.3.2. Implications for Business Schools

Business schools, as part of the higher education landscape, must contribute to the common good and to a well-balanced society. The current economic, social, and environmental crises are one of the greatest societal challenges that business schools will need to address. Beside a set of diverse relevant findings, this empirical study emphasised four key findings leading to the following implications for the management education sector. The thesis clearly linked the case schools' strategy with stakeholders' interests. In the face of these diverse stakeholders and, therefore, heterogeneous interests, business schools must find ways to relate to their own mission and vision. However, fulfilling the EQUIS standards by implementing ERS transversally in all operations of a school may not be in the interest of all stakeholders. Therefore, business schools need to be transparent with their strategies and communications, even if this leads to conflict with individual stakeholders. Schools must prioritise their ERS actions while convincing internal and external stake- and shareholders about the importance of RME.

The **first implication** emerging from the study is the necessity to rethink the educational assumptions on which management education is built. According to Datar et al. (2010), business school leaders often share the belief that management education should go beyond the traditional function-based MBA curriculum. Students should have a better understanding of globalisation, leadership, and innovation, and there should be room in the curriculum to address matters of values, attitudes, and beliefs that inform the worldviews and professional identities of managers. However, the key driver of a business school that is committed to new knowledge generation is ontological and epistemological; in practice, this means a shift in management education towards a more collaborative and inclusive version of capitalism, the joint

welfare of all stakeholders, and a new narrative of management as stewardship. In similar terms, the thesis outcomes call for new narratives of business education to define and justify the role of management and business schools in shaping the economic, social, and cultural bonds that link together the different stakeholders. A broadening of the traditional focus of research and teaching in business schools is necessary in order to look more broadly at the wider needs of society, to embrace multidisciplinary perspectives, and to turn theoretical perspectives towards societal questions. Business schools also need to advocate for a new theory of the firm and its role in society, one in which profit maximisation is in balance with the sustainability of the company, society, and the planet.

The **second implication** focuses on reconnecting management education with society as a whole. Mintzberg (2015) argues that “business in society” needs to be less of a slogan and more a provocation, a stimulus—a matter of institutional practice and a serious intellectual challenge. Therefore, business schools should include a more interdisciplinary and critical investigation of social needs, interact directly with stakeholders, create societal benefits, and influence public and private decision-making. Management education should engage managers, politicians, and all stakeholders by connecting them with the wider needs of society in order to maintain legitimacy and credibility while engaging in policy debates on societal issues. Faculty members play a crucial role in this process and in the development of ERS. However, they appeared in the study as drivers as well as barriers, depending on individual perception and interests. Thus, faculty appears to be one of the most powerful internal stakeholder groups and must be involved in shaping responsible management education policies and agendas. Without faculty support, the impact and relevance of ERS activities will remain limited.

The **third implication** requires management education to further integrate ethics, responsibility, and sustainability both in and beyond the curriculum. While schools have invested in ERS-related research, the implementation of ERS in programme curricula and course development remains relatively limited. The adding of stand-alone and often elective courses on ethics and

corporate social responsibility will not suffice if the remainder of the programmes and courses stays the same. Business schools need to take leadership in building a new educational agenda, not only in creating courses on ethics and corporate social responsibility, but also in supporting a broader range of scholarship than is found in the traditional fields of strategy, organisation behaviour, marketing, and others—especially in economics and finance. The schools must also focus on the idea and ideal of the “end product” of their management education process: namely, the graduate as a future manager. This future manager will be a “high-value decision-maker” who can and should be able to produce constructive reconciliations in society by softening tensions among different models, theories, and beliefs as well as ways of knowing, acting, and being.

7.3.3. Implications for EQUIS and Professional Practice

For a DBA thesis, it is also expected that the research will provide implications for professional practice—in this case, for EQUIS and the wider business school community. There is much to learn from business schools and the EQUIS accreditation alike. Insights from the research will inform future debate on ERS and help business schools as well as accreditations to further guide their ERS developments. Forces in favour and against will be in play, and EQUIS can in this regard count on strong support from a number of business schools committed to ERS. It is therefore important to keep the quality assurance denoted by accreditation in balance with the invitation for more schools to belong, participate, and create value that aligns with the sustainable development imperatives of our times.

While this empirical study supports business schools in their self-assessment and in outlining future strategies related to their ERS activities, the findings also indicate a need for stronger cooperation between business schools that allows for benchmarking and jointly developed ERS actions. The study equally encourages EQUIS to further assist and guide business schools in their ERS developments. With its unique positioning as an international accreditation body and member organisation, EFMD (and EQUIS) can directly influence management education. With its mandate and true to its mission,

EQUIS can foster a sense of global responsibility in business schools, and thus contribute substantially to the well-being of societies around the globe.

Business school accreditation plays an important role in business school development. It sets the tone, defines priorities, and guides changes in management education. While the EQUIS accreditation standards established strong references to ERS, similar to its stance on internationalisation, they need to provide guidance to business schools in the development of responsible management education. Just as EQUIS requires high-quality developments in “internationalisation” and “corporate connections” from accredited schools, it must give ERS the same high level of importance. EQUIS and the accredited business schools also must define “true ERS developments” and distinguish actions from “green-washing”. In this case, EQUIS needs to distinguish schools that “walk their ERS talk” from those that decouple their ERS commitment and actions and only apply isomorphic changes. Consequently, schools that lack substantial ERS developments will not receive EQUIS accreditation, and business schools that go through the EQUIS process will need to provide evidence of their ERS developments. EQUIS could also provide further guidance and help fill the ERS know-how and knowledge gap found at business schools, which became evident through the empirical study. Informing schools on how to measure ERS quality and providing benchmarks and better practice models would assist in achieving this goal. Additionally, in cooperation with other peer organisations and business schools, EQUIS and EFMD could provide learning platforms where institutions could exchange ERS experiences and development practices.

EFMD, as a member organisation and accreditation body, acts as an interface between management education and industry, companies, and public organisations. From this vantage point, EFMD needs to translate expectations from the public and private sectors into its EQUIS accreditation standards, which apply to ERS as much as to all other important aspects of management education. Having a diverse and large group of international members provides EFMD with a unique position and access to different key players at all levels. The organisation should link these “partners” in a joint effort to

develop and fully integrate ERS in management education. Through strengthened commitment to ERS, EQUIS could identify those institutions that deliver high quality in ERS/RME in different geographic areas, which would signal the importance of these topics within the business school sector and provide immediate benchmarking opportunities.

In the first chapter of this thesis, two key questions were raised:

1. Are international accreditation organisations able to guide and drive business schools effectively in their challenge to become more ethical, responsible, and sustainable?

And more specifically:

2. How does EQUIS maintain its legitimacy as well as its impact on business schools' development despite sector changes, competition, and emerging alternatives?

The research showed that the case institutions demanded EQUIS take a stronger lead in ERS development at business schools. The knowledge and development gap created after the introduction of the new accreditation standards must be filled in the future. EQUIS should be more rigorous in the assessment of ERS actions and help business schools to shift their attention from “ERS talk” to “ERS action”. If accreditations and business schools do not work together to define quality indicators and monitor ERS performance and impact, the new standards will remain subject to individual interpretation. Without this critical step, the process may not lead to the change necessary to respond to modern economic, social, and environmental challenges. In summary, if EQUIS does not respond to the criticism from business schools, it risks being considered as “not walking their own talk” by decoupling its new standards from the assessment and regulatory activity of its accreditation cycle.

7.4. Themes for Future Research

Several themes for future research have emerged from this empirical study and its findings. Such future research could add to the understanding of ERS

and contribute to questions of impact and relevance. Despite or because of the various developments in ERS, business schools and EQUIS have arrived at a crossroad and the following questions could be further explored and serve as themes for future research:

1. How can business schools together with accreditations create impact through their development of ERS?
2. How can quality and impact in ERS and responsible management education be measured?

By finding answers to these questions, business schools and accreditations will change the perception of ERS, leading to a stronger acceptance of RME from both internal and external stakeholders.

It is my contention that this is the next phase in the work that now lies ahead within the domain of responsible management education. While it is clear that the new accreditation standards are of great importance and relevance, it seems unclear how their impact can be measured. EQUIS together with business schools must provide further guidance on best-practice models by providing access to benchmarking tools and knowledge. Measuring ERS impact and relevance should be defined by EQUIS in cooperation with the business and management school sector, involving all relevant stakeholders. This type of future collaborative research will provide insights and guidance to both the accreditation body and the business school world.

7.5. Conclusion and Possible Future Developments

The thesis points towards the dynamics of a transition zone, or “in-between space”. This concept connects with what Hommel and Thomas (2014) refer to as “a tipping point in business school models and paradigms which will lead to a period of experimentation and change in business schools”. The changes that I describe are from both outside and inside, and thus are part of both contextual and institutional change. Business schools must change at a meta level (economy, society, and environment) in combination with revisions at the

level of ontology and epistemology (worldviews, beliefs, and theories) and of practice (what individuals and institutions research, teach, and do) if they want to be truly ethical, responsible, and sustainable.

With a history extending back more than one hundred years, business schools have been instrumental in shaping the economic and business paradigms of the twentieth century, and they will not escape the tumultuous processes occurring amongst various stakeholders involved in co-creating new directions for the future. The above-mentioned transition zones require adaptive processes. With so much of the system in flux, attention and capacity must be committed towards new ways of thinking and practice, being and doing, and trial and error in order to find directions for the future that will be both prudent and practical. The distinction between those that “walk the talk” versus those that only engage in isomorphic changes is therefore not intended to create two separate classes of business schools. It is descriptive of the challenges and tensions inherent to adaptive change within institutions—namely, to maintaining integrity whilst working simultaneously on both reputation and identity amidst the conflicting expectations of various stakeholders.

While this thesis may sound an alarm in the field of management education and accreditations, it also provides a solid outlook for future developments. It became evident that business schools as well as business school accreditations have developed core activities in the areas of ethics, responsibility, and sustainability. EQUIS plays a key role in this development and is a prominent example, within the group of international business school accreditations, which proved with its new standards that accreditations are able to change, guide, and drive business schools effectively in their challenge to become more ethical, responsible, and sustainable. EQUIS’ new ERS standards and criteria are also in line with the accreditation’s mission to raise the standard of management education worldwide and to foster the sense of global responsibility in management education. With a substantial revision of all accreditation standards and the creation of a daring ERS standard, EQUIS sent a strong signal to all business schools within the EFMD

network, highlighting the importance of responsible management education. With this important change, EQUIS not only contributes substantially to the future developments of business schools, it also ensures its own legitimacy, belonging, and mandate as a highly influential change agent in the global management education arena.

Despite the critical findings from this empirical study, the research also finds diverse evidences for change within business schools, within their knowledge production, research, and trainings as well as programme and faculty development. With support from EFMD and other important organisations in the field, business schools have advanced towards a more responsible management education. When projecting only recent developments into future scenarios, I am confident that business schools will change further and become more ethical, responsible, and sustainable. In order to do so, business schools together with accreditations, rankings, and other regulating agents need to cooperate and further develop the current ERS agenda. A stronger sense of accountability will help the responsible management education sector evaluate those activities and measure the real impact and advantage they provide for the society at large. This will require business schools to further reinvent themselves and find a common purpose for their existence, which includes a radical rethinking of management education paradigms. As argued previously, business schools are at a “tipping point” where they must reconnect with their primary responsibilities by serving the needs of their societies. In transforming to more responsible management education, the schools will have to approach a number of institutional changes that will eventually lead to more ethical, responsible, and sustainable management education. Therefore, in the future, business schools will have to embrace disruptive change as opposed to the incremental change we have largely seen in the past. The schools need not only promote an “innovation culture” in their knowledge production and dissemination, but also have to implement this very culture in their own institutions and practices. The schools should review their research practice to improve the relevance and impact of their academic as well as applied research. The “publish or perish” culture encouraged by a solid focus on A-journals has only de-emphasised the

linkage to practice, and therefore contributed to the disconnect between academia and society. In this context, schools need to approach the strong faculty resistance to change that often results from the tenure-track system, which consequently leads to the growing irrelevance of management research for the “real world”. Equally important, business schools must continue changing their curricula, which will require advanced teaching skills in critical and integrative thinking to help students to become management innovators. By changing their own paradigms, business schools will be able to change towards more responsible management education, and by doing so, they will become the interface between business, government, and the society that demands this change.

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Appendix 1: Pioneering EQUIS Schools

EFMD developed the European Quality Improvement System (EQUIS). EQUIS quickly became an autonomous accreditation by accrediting during the first three years (1995-1997) a group of 18 pioneering European schools:

France:

- INSEAD
- HEC School of Management
- ESCP–EAP Paris
- ESC Lyon
- ESC Reims
- ESCNA

United Kingdom:

- London Business School
- Ashridge Management College

Italy:

- SDA Bocconi

Spain:

- ESADE Business School
- IESE Business School
- Instituto de Empresa

Finland:

- Helsinki School of Economics and Business Administration

Germany:

- WHU Koblenz
- Otto Beisheim Graduate School of Management

Netherlands:

- Rotterdam School of Management

Sweden:

- IFL Stockholm

Switzerland:

- IMD Lausanne

Appendix 2: AACSB Founding Institutions

In 1916, the following sixteen leading US American universities and colleges founded AACSB (at that time named the Association of Collegiate Schools of Business, or ACSB):

- Columbia University
- Dartmouth College
- Harvard University
- New York University
- North-Western University
- Ohio State University
- Tulane University
- University of California at Berkeley
- University of Chicago
- University of Illinois
- University of Nebraska
- University of Pennsylvania
- University of Pittsburgh
- University of Texas
- University of Wisconsin-Madison
- Yale University

Appendix 3: EQUIS Governance⁴³

EQUIS Accreditation Board

The EQUIS Accreditation Board is composed of representatives of high-profile organisations that are stakeholders in the quality improvement of management education. It evaluates the Peer Review Reports on schools that are applying for EQUIS accreditation and, based on their recommendations, makes the final decision to confer EQUIS accreditation upon those management education institutions that have demonstrated excellence at an international level. The Accreditation Board normally meets three times a year at the request of the EQUIS Director.

International Academic Members

- **David Saunders**, Dean, Queen's School of Business, Queen's University, CA
- **Chairman of the EQUIS Accreditation Board**
- **Thomas Bieger**, President, University of St. Gallen, CH
- **Per Cramér**, Dean, School of Business, Economics and Law, University of Gothenburg, SE
- **Arnoud De Meyer**, President, Singapore Management University, SG
- **Maria de Lourdes Dieck Assad**, Dean Emeritus, EGADE Business School, Tecnológico de Monterrey, MX
- **Michael Frenkel**, Associate Dean for International Relations and Diversity and Former Dean, WHU - Otto Beisheim School of Management, DE
- **Robin Mason**, Pro-Vice Chancellor (International), University of Birmingham, UK
- **Gill Palmer**, Vice Chancellor's Delegate, RMIT University & Honorary Professor, School of Economics, Finance and Marketing, AU
- **Bernard Ramanantsoa**, Former Dean, HEC - Paris, FR
- **Baris Tan**, Vice-President for Academic Affairs, Koç University, TR
- **Metka Tekavcic**, Dean, Faculty of Economics, University of Ljubljana, SI
- **Lin Zhou**, Dean, Antai College of Economics & Management, Shanghai Jiao Tong University, CN

⁴³ Available at: <https://www.efmd.org/accreditation-main/equis/equis-governance> [Accessed 03/17].

International Corporate Members

- **Laurent Choain**, Chief People and Communication Officer, Mazars, FR
- **François Cornélis**, Former Vice-Chairman of the Executive Committee & President of Chemicals, Total, B
- **François Xavier Cornu**, Former Deputy Director General of Education, Research and Training, Chambre de Commerce et d'Industrie de Paris Ile-de-France, FR
- **Neslihan Tozge**, Director and Founder at GTIS LLP, London, Global Talent Intelligence Strategy, UK

Non-voting Members

- **Eric Cornuel**, Director General & CEO, EFMD
- **Michael Osbaldeston**, Associate Director, Quality Services, EFMD
- **Martin Schader**, EQUIS Director, EFMD

EQUIS Committee

The EQUIS Committee, composed of academic and corporate representatives, advises the EQUIS Director on the strategic development of EQUIS. All major decisions concerning policy, standards and procedures are submitted to the EQUIS Committee for consultation. The EQUIS Committee approves the eligibility of schools that are applying for EQUIS accreditation. The EQUIS Committee normally meets three times a year at the request of the EQUIS Director, who chairs the meetings.

Ex Officio Members

- **Martin Schader**, EQUIS Director, Chairman of EQUIS Committee
- **Eric Cornuel**, Director General & CEO, EFMD
- **Eric Waarts**, Professor and Dean Degree Programs, Rotterdam School of Management, Erasmus University, Netherlands, & EQUAL Chairman
- **Ulrich Hommel**, Director, Quality Services, EFMD

International Academic Members

- **Ingmar Björkman**, Dean, Aalto University School of Business, FI
- **Eric Chang**, Dean, Chung Hon-Dak Professor in Finance and Chair of Finance, Faculty of Business and Economics, University of Hong Kong, CN
- **Alice Guilhon**, Dean, SKEMA Business School, FR
- **Frank Horwitz**, Former Director & Director, MSc in International HR Management, Cranfield School of Management, UK

- **Hirokazu Kono**, Dean, Keio Business School, Keio University, JP
- **Konstantin Krotov**, Head of School, Graduate School of Management, St. Petersburg University, RU
- **Angus Laing**, Dean, Lancaster University Management School, UK
- **Jos Lemmink**, Former Dean, School of Business and Economics, Maastricht University, NL
- **Peter Moizer**, Dean, Leeds University Business School, University of Leeds, UK
- **Karim Seghir**, Chancellor, Business School, Ajman University, UAE
- **Barbara Sporn**, Former Vice Rector of Research, International Affairs & External Relations, & Professor of Higher Education Management, Department of Strategy and Innovation, WU Vienna University of Economics and Business, AT
- **Robina Xavier**, Executive Dean, QUT Business School, QUT – Queensland University of Technology, AU

International Corporate Members

- **Hans Buss**, Former Senior Executive of Unilever, DE
- **Hanneke Frese**, Founder, Frese Consulting and Former Head of Group Capabilities, Zurich Financial Services, CH

Appendix 4: List of EQUIS Schools (December 2015)

Below is a list of European Business Schools that went through the EQUIS accreditation process between the introduction of the new accreditation standards in 2013 and the selection of case institutions for this empirical study in December 2015.

Nordic Countries

- Aarhus University, School of Business and Social Sciences
- BI Norwegian Business School
- Copenhagen Business School
- Hanken School of Economics
- Jönköping International Business School
- LUSEM - Lund University School of Economics and Management
- Stockholm School of Economics
- University of Gothenburg
- University of Southern Denmark

The Netherlands

- Amsterdam Business School
- Nyenrode Business Universiteit
- University of Groningen
- Rotterdam School of Management, Erasmus University

France

- Aix-Marseille Graduate School of Management - IAE
- EDHEC Business School
- EMLYON Business School
- ESC Rennes School of Business
- ESCP Europe
- IESEG School of Management Lille-Paris
- INSEAD France
- KEDGE Business School
- NEOMA Business School
- Reims Management School
- SKEMA Business School
- Toulouse Business School
- Université Paris-Dauphine

Switzerland

- HEC Lausanne
- University of Zurich

Belgium

- KU Leuven

UK

- Bradford University School of Management
- Cranfield School of Management
- Durham University Business School
- Henley Business School
- Imperial College London
- London Business School
- Loughborough University School of Business and Economics
- Saïd Business School
- The Open University Business School
- University of Bath
- University of Glasgow
- University of Leeds
- University of Sheffield

Germany

- EBS Business School
- ESMT European School of Management and Technology
- Frankfurt School of Finance & Management
- WHU - Otto Beisheim School of Management
- University of Cologne
- University of Mannheim Business School

Spain

- IE Business School
- IESE Business School
- Universidad de Deusto

Portugal

- University of Porto

Poland

- Kozminski University

Slovenia

- University of Ljubljana

Italy

- LUISS Business School
- SDA Bocconi School of Management

Appendix 5: Interview Guide

1/3/2016

Introduction to the case institutions:

I would like to discuss the school's strategy, faculty, programme development, and research activities in the context of responsible management education and in response to the EQUIS accreditation standards and criteria on ethics, responsibility, and sustainability. My objective is to draw primary data through document review and semi-structured interviews. These types of interviews can best address the position-specific definitions and understandings of the varieties of academic and administrator work in business schools. Each interview will start with the same three open questions followed by a set of specific questions that reflect the different area(s) represented by each interviewee. Each interview will last between thirty minutes and one hour, depending on interviewees as well as set-ups such as individual or group meetings. With the permission of each interviewee, I would like to record interviews and will assure full confidentiality. Data will be reported in aggregated form; therefore, it will not be possible to identify individuals or institutions from the report.

Central research question:

How do European business schools with different governance structures⁴⁴ respond to the EQUIS accreditation standards established in 2013 with the focus on ethics, responsibility, and sustainability (ERS)?

Underpinning research questions:

1. How did EQUIS develop the new ERS standards and criteria?
-

⁴⁴ The case institutions represent the following four main models of European business and management schools:

1. Public institution, university-embedded
2. Public institution, stand-alone
3. Private institution, university-embedded
4. Private institution, stand-alone

2. What are business schools' responses to the EQUIS ERS standards in the areas of institutional strategies, programmes, faculty, research, and development as well as responsible management education at large?

While the **research aims** to find out the impact of EQUIS on the development of responsible management education, the following two **opposing views** frame the research questions and are widely discussed within the RME literature, but also in the context of accreditations, rankings, and business school think tanks:

A: EQUIS accreditation is a progressive development tool that is well designed to lead business schools in their ERS developments.

B: EQUIS creates only isomorphic changes, and the new EQUIS accreditation standards are only symbolic signals that will not create substantial change in business schools.

Interviewees:

The composition of interviews and list of interviewees can be adjusted between the different schools, according to the organisational structure and areas of responsibility of the interviewees.

- **Management Team (President, Deans, Director)**
Either individual meetings or in a group **(1 hour)**
- **Head of Accreditation / Quality Management Office**
Start the interview session with this person/team **(2 hours)** and finish at the end again with a concluding session **(1 hours)**
- **Key person(s) in development of Responsible Management Education (ERS / CSR centre)**
Faculty and/or staff member(s) that lead RME processes, author of ERS chapter, PRME report, etc. **(2 hours)**
- **Director of “EQUIS Selected Programme” from last accreditation**
(1 hour)
- **Director/Associate Dean Programmes** **(1 hour)**
- **Director/Associate Dean Research** **(1 hour)**
- **Group of core faculty members (max 5)** **(1 hour)**
- **Group of students (max 5) representing a mix of core programmes**
(1 hour)

Interview Questions

1. Context, Governance, and Institutional Strategies

Interviewees:

- Dean and management team
- Key person(s) in development of Responsible Management Education (ERS / CSR centre)
- Head of Accreditation / Quality Management Office

These general questions are asked to every interviewee(s) and intend to explore the underlying drivers for progressing with integration RME and ERS:

- Q 1. Are RME and ERS important in your School's Context, Governance, and Strategy? Why?
- Q 2. What would you say are the main drivers?
- Q 3. And what are the biggest barriers?
- Q 4. Did the 2013 EQUIS accreditation play a part? In what way?

These questions are intended to explore the interviewees' view of responsible management education within the strategy of the school and to understand how the strategy is embodied through examples of activity:

- Q 1. What are the key components of your mission?
Are responsibility, sustainability, and ethics explicitly part of your strategy?
Does it form part of your mission, vision, and value statements?
If not explicit, is it implicitly present?
- Q 2. Are this policy and strategy broadly communicated and known among the School's stakeholders?
- Q 3. Are there resources allocated?
Do you think these are sufficient?
- Q 4. How does the School apply to itself the principles of ethically and responsible governance?

These questions address the context of institutionalism:

- Q 1. Who are the peers and competitors for the school in the field of responsible management education?
- Q 2. Do they have EQUIS?
- Q 3. Are the RME competitors different or the same as the general competitors?

2. Programmes

Interviewees:

- Director of “EQUIS Selected Programme:
- Director/Associate Dean Programmes
- Students

These general questions are asked to every interviewee(s) and intend to explore the underlying drivers for progressing with integration RME and ERS:

Q 1. ARE RME and ERS important in your School's Programmes?

Why?

What would you say the main drivers are?

And what are the biggest barriers?

Q 2. Did the 2013 Equis accreditation play a part in Programme Development? In what way?

These questions address the level and nature of responsible management education within the teaching programmes and to explore the experience and intentions of the school in the process of integrating ERS. Reflecting on what happens at the school, and original motivations:

Q 1. Is ERS integrated into the Schools degree programmes? How?

Q 2. Describe design, delivery, and assessment of the school's degree programmes, programme content (core vs. elective, dedicated vs. integrated)?

Q 3. Are there programmes that specifically address questions of ERS? Describe their orientation and content.

Looking for examples of teaching in practice (successful and unsuccessful) and to roughly gauge the overall trend in the penetration of ERS teaching across all programmes

Q 1. Who teaches ERS?

Q 2. How is sustainability teaching designed and delivered? [e.g. is it a responsibility of all staff or for specialist teachers?]

Q 3. Do you have a teaching policy?

Q 4. Does sustainability appear in the teaching policy?

Q 5. Is there a policy on how sustainability is best integrated into teaching programmes?

3. Faculty

Interviewees:

- Director/Associate Dean Programmes
- Director/Associate Dean Research
- Faculty members

These general questions are asked to every interviewee(s) and intend to explore the underlying drivers for progressing with integration RME and ERS:

Q 1. Are RME and ERS important in your School's Faculty?

Why?

So what would you say the main drivers are?

And what are the biggest barriers?

Q 2. Did the 2013 EQUIS accreditation play a part in Faculty Development?

In what way?

Strategic context of ERS-related aspects in faculty development:

Q 1. What does faculty training and development cover?

Q 2. Is ERS integrating into faculty training and development?

Q 3. Do you feel that the School recognises the community and public engagement of faculty?

Does it recognise this in any way (e.g. citizenship, incentives)?

4. Research & Development

Interviewees:

- Director/Associate Dean Research
- Faculty members

These general questions are asked to every interviewee(s) and intend to explore the underlying drivers for progressing with integration RME and ERS:

Q 1. Is RME and ERS important in your School's R&D? Why?

So what would you say the main drivers are?

And what are the biggest barriers?

Q 2. Did the 2013 EQUIS accreditation play a part in R&D? In what way?

Strategic context of ERS in research and development:

Q 1. Do you feel that the school integrates ERS into its research activities?

Q 2. Does it recognise this in any way (e.g. incentives)?

- Q 3. Are there policies to foster ERS research?
- Q 4. Does the school integrate ERS into its development and innovation activities?

5. Additional Questions

These questions that became evident during the first case study. These questions were implemented in the interviews, depending on relevance and importance:

- Q 1. Did the school provide any feedback on ERS/RME to EQUIS?
- Q 2. What would change if the school would drop EQUIS?
- Q 3. What are risk scenarios for your school?
- Q 4. If you have to cut funding, where would you cut?
- Q 5. How do you envision your school in 10 years from now?
- Q 6. What would you change in order to make your school stronger positioned in the field of RME?
- Q 7. Are public schools better positioned to drive RME then private schools (or vice versa)?
- Q 8. Is your school top-down or bottom-up?
- Q 9. Are your graduates well prepared to work sustainably and responsibly?
- Q 10. Why did you choose to work/study at your school?
- Q 11. What are the strengths and weaknesses of your school?

Appendix 6: My Personal Journey

Travelling down this path of intense research has also been a deep personal journey for me. In fact, the journey started a long time ago. It started when I left primary school—at that time, not to enter high school, but to attend a vocational school to become a trained chef.

I grew up in East Germany and lived there my first nineteen years, until 1989, when the wall came down. I wasn't a particularly good student and with my bad grades and very few high school placements available at that time, I had no chance to attend one. Thus, I started to consider another dream, of becoming a chef. But restaurants were limited, and so I started my training in a university canteen, learning to cook for thousands of students every day. After two years of training, I became a chef and stayed in the canteen. Only, just one year later, the country disappeared in one night.

I quickly realised that cooking might not be what I entirely wanted to do in my life as in this new world, I had so many other opportunities. I first did my civil service, and afterwards, I went back to high school. After graduating, I applied for university and studied Business Communication in Berlin. During my studies, I went for an exchange to the University of Texas and added an internship semester in New York. A whole new world opened for me, and I realised the power that education has beyond just learning.

With a Master's degree in my pocket, I went to work. First, I worked for a publishing house in Vietnam, and from there, I returned to New York to work for the DAAD (the German Academic Exchange Service). The DAAD was my first introduction into the internationalisation of higher education, which I became most passionate about. And by living in New York in the early 2000s, I quickly grasped the importance of education in the face of a rapidly changing, post-9/11 world.

Following these important years of learning experiences, I returned to Berlin to work at the Freie University, to manage and develop the largest summer university in Europe. Engaging only with international students and faculty, I discovered that the new model of global higher education was once again stunning proof how education can change and impact societies.

But I wanted to go back to the “world” and left Berlin again, this time with my small family. We went to France where I started a new job at a business school. Here, I connected for the first time to the management education world, at a Grand École

with campuses in Paris and Lille that sent me off to develop their international relations. I made links with schools and organisations around the globe and observed the different models of management education. I saw the good sides, but also the challenges that came with highly professionalised and globally competing business schools.

From there, I joined the EFMD in Brussels to develop its business school network and the services the organisation provides to its members. During this assignment, I gained an understanding of the accreditation and member organisation, which inspired me to write this thesis. It was also in this context that I determined to seek new challenges. After working for so many years in higher education, another dream had grown, and I wanted to embark on a new journey towards a doctoral degree. After some consideration, I applied for the DBA in Higher Education Management at the University of Bath, which seemed to me the ideal programme and university and a place where I could match my professional experiences with my future ambitions. It turned out to be the right choice.

By looking back, I realise that the DBA was not only a journey of four years where I learned to work, study, and research academically. I engaged with a highly international class and faculty on every subject of international higher education management in an academic and professional environment. I enjoyed the university as well as the city of Bath, which always inspired me and taught me to appreciate the notion of academic freedom. But the DBA also connects fundamentally to where I started my professional life—the university canteen. I am glad to see the two linked through a span of different but interrelated experiences. Therefore, I am deeply grateful that I had this opportunity at the University of Bath! Besides the professional and academic development that I developed in this programme, I gained something much larger on a personal level. I was able to reconnect to my past, which I had tried to avoid for a long time.

End of Thesis
Mathias Falkenstein
March 24, 2017